50th NATION GROUP

the nation

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July 1, 2021

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INSIGHTFUL, IN TREND, INDEPENDENT

1971

JULY 1

The Nation debuts on July 1 with the headline "The how and why of The Nation". The fledgling daily announces: "*The Nation* will be a responsible newspaper that follows an independent and impartial editorial policy." Accompanying this article is a cartoon depicting the newspaper as a boy with a topknot and traditional attire greeting adult members of the Thai press with a "wai".

The inside pages of the maiden edition feature stories and photos of *The Nation*'s co-founders, executives and reporters, as well as the editorial office.

Thailand's first and only locally owned English daily at the time, *The Nation* was edited and published by ML Yod-aksorn Singhara, with Thamnoon Mahapauryaserving as editorial director and Suthichai Yoon as managing editor.

2019

June 28

FAREWELL EDITION

2021

July 1

THAI LAND TOMOR ROW?

1973

OCTOBER 14

Student activists lead an uprising against Thanom's government after years of dictatorship, resulting in clashes with security forces and, ultimately, a bloodbath.

OCTOBER 15

The "Three Tyrants" – Thanom, Field Marshal Prapas Charusathien and Colonel Narong Kittikachorn – flee the country and King Bhumibol Adulyadej appoints Privy Council member Sanya Dhamasakti as PM.

1981

APRIL 1-3

Army "Young Turks" try to overthrow Prem's government. The rebel force has soldiers from 42 battalions – the largest ever mobilised in an armed rebellion in Thailand. The rebels take control of the capital, leading Prem to launch his resistance from Nakhon Ratchasima province, where King Bhumibol and Queen Sirikit join him, along with other members of the Royal Family. Government forces regain control of the capital and the rebels surrender. The rebellion's leaders flee the country.

1997

JULY 2

The government of Chavalit Yongchaiyudh is forced to float the baht as international reserves supporting the currency's peg to the US dollar run critically low. The baht's collapse sets off a crisis that spreads rapidly across Asia.

2004

DECEMBER 26

At 7.58am, a 9.1-magnitude earthquake – one of the largest ever recorded – kicks up an undersea plate in the Indian Ocean, propelling massive waves of water towards the shores of Thailand and 13 other countries. The tsunami takes two hours to travel the 500 kilometres to Thailand's Andaman coast before unleashing devastation on the beachside communities of Phang Nga and Phuket. Four other provinces are also affected.

That horrifying morning, the tsunami washed over 58,550 people in Thailand alone, killing 5,395 – many of them foreign tourists – and sweeping away 2,817 others.

What the future holds might be hard to predict; there can be unforeseen challenges and events, sudden and unfamiliar. As we head into the 'new normal' in the Covid aftermath, it is important that all sections of society adapt quickly; the larger public and businesses have already taken the cue, but the Thai public sector remains at a standstill. Its lethargy is a great concern for the country's future.

2006

SEPTEMBER 19

Following months of yellow-shirt protests, Army chief General Sonthi Boonyaratglin topples Thaksin in a bloodless coup. The putsch is staged while Thaksin is at a UN General Assembly meeting in New York.

The military creates the Council for Democratic Reform to rule the country.

2011

JULY

Thailand witnesses its worst flooding in half a century after Tropical Storm Nock-ten brings heavy rain. Flooding persists in some areas until mid-January 2012, affecting 13.4 million people and resulting in 657 deaths. The World Bank estimates damages at Bt1.4 trillion. Sixty-five provinces are declared disaster zones and 20,000 square kilometres of farmland is damaged.

2019

JUNE 11

After a long tussle between pro- and anti-junta camps, junta chief General Prayut Chan-o-cha is royally endorsed as prime minister after winning votes from 254 MPs and his hand-picked 250 senators.

Observers believe the government, with its slim majority, will be unstable and face strong challenges from the rival camp. However, analysts also believe this "version" of the junta might last longer if it wins support from both Parliament and the Army.

2017

AUGUST 25

Yingluck fails to appear in court for a verdict in a long-running trial for alleged dereliction of duty in overseeing her government's loss-making rice-pledging scheme. It is believed she has fled the country, though her lawyer insists she is merely suffering from an ear infection. The Supreme Court refuses to believe the excuse, issues an arrest warrant and reschedules the verdict for September. The court later finds her guilty and sentences her to five years in jail.

2014

FEBRUARY 2

After months of protests, Parliament is dissolved and a general election is held on February 2. However, the election is nullified after the opposition Democrat Party boycotts the ballot and a Suthep-led protest blocks voting at polling stations.

MAY 22

Two days after declaring martial law, Army chief General Prayut Chan-o-cha seizes power after warring parties fail to reach a compromise to end six months of political turmoil. The take-over is Thailand's 19th coup in 82 years.

The Constitution, except Chapter 2 on the monarchy, is temporarily suspended and the National Council for Peace and Order is established to govern the country.

AN ABIDING COMMITMENT TO QUALITY FOR 50 YEARS, AND HEREAFTER

Back in 1971, or half a century ago, imagine a group of idealists coming together, burning with ambition, and sharing a common, larger vision: to start a quality media organisation for Thai people and foreigners in Thailand.

That one bold move became the Nation Group's foundation stone, and that boldness has remained a trademark of the organisation.

For 50 years since then, the Nation Group's media have become an integral part of Thai society, voicing their hopes and their fears, their dreams and their doubts, their joys and their frustrations. For half a century, the group's media have loyally recorded major events and their fallout in the country's history, with a firm commitment to ethics and professionalism.

For 50 years, Nation Group has offered a window view of Thailand and the world, becoming a respected voice, famous for its independence and ingenuity, a home for the talented and the dedicated.

The sapling that was planted 50 years ago, has now grown into a giant tree. Nation Group has elevated itself from a media organisation into an institution that has produced generations of highly respected and loved media personnel for print, TV, and online platforms.

Like the vicissitude of the seasons in human existence, Nation Group has had its high moments of celebrations and plaudits, but it has also faced several challenges, crises and changes over its long journey, but always bouncing back. On the economic front, it has withstood the Raja Investment-triggered crisis, the 1997 Asian financial meltdown, the 2008 Hamburger crisis, and now the severe economic impact from Covid-19, a tribute to its never-say-die spirit.

In other areas too, Nation Group has been buffeted by the rapid winds of change, which have manifested through digital disruption. The transition to the new era is being undertaken with the same level of dedication as when the founders embarked on this mission.

It is undoubtedly a tribute to a media's power and influence when its reportage ruffles the feathers of the high and mighty. Over the years, Nation Group has had to withstand immense pressure, and sometimes bear economic consequences, for its bold and uncompromising stance.

No matter what we have faced, we have remained true to our vision to serve as a quality, ethical and professional media with a commitment to serve the nation and the people.

Even on the business side, our sense of social responsibility has often overridden the corporate pursuit of profit. We continue to prioritise quality and integrity over dividends, because we believe a quality organisation must always embrace its social responsibility. We believe beyond the ratings game that entertainment channels often thrive in, a quality media will always hold a special place in the hearts of the public. And it is that place we seek.

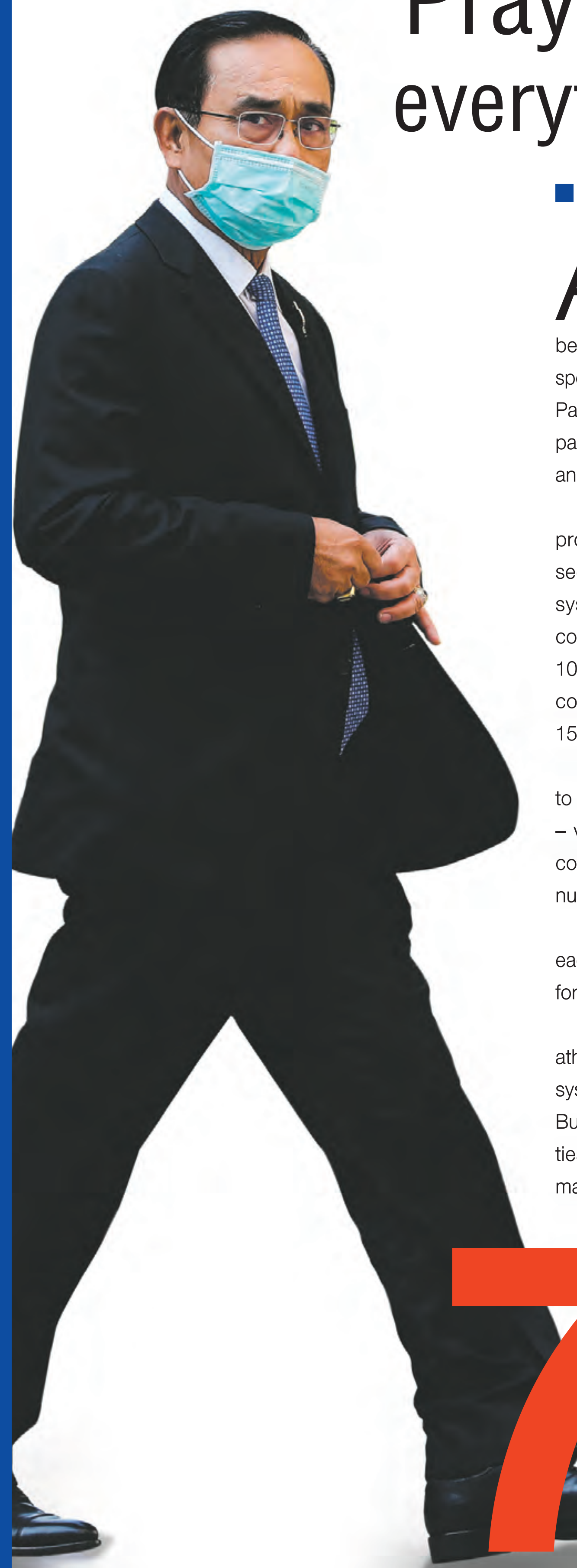
I, as the leader of this organisation who has received the torch from its founder, pledge to work to the fullest of my abilities to strengthen Nation Group and sustain its role as a trustworthy and reliable media for Thai people and our society in all the years to come.

The future beckons!

With respect,
Shine Bunnag

WINNER TAKES ALL

Prayut and opposition gamble everything on new electoral system



■ Political Desk

All eyes are on charter amendment draft bills that would change the electoral system and likely benefit large parties. Observers say bills sponsored by the ruling Palang Pracharath Party and opposition leader Pheu Thai are part of their efforts to win the next election and form a government.

Thailand's two largest parties have proposed separate amendment drafts seeking to revive the two-ballot voting system and revert to a Lower House composed of 400 constituency MPs and 100 party-list MPs. The House currently comprises 350 constituency MPs and 150 from party lists.

In the 2019 general election – the first to be held under the 2017 Constitution – voters cast a single ballot to select constituency MPs and also calculate the number of list MPs for each party.

Under the 1997 and 2007 charters, each voter cast two separate ballots – one for a constituency MP and one for a party.

Large parties like Palang Pracharath and Pheu Thai favour the two-ballot system because it is beneficial to them. But it leaves small and medium-size parties disadvantaged since the calculation makes it difficult for them to gain seats.

The newly founded Future Forward became the third-largest party on its election debut in 2019 thanks to the single ballot system, before being dissolved by court order.

Associate Professor Manit Jumpa, from Chulalongkorn University's Law Faculty, said the two-ballot system – in which the whole country is considered as one constituency – would enable politicians to predict their winning seats in Parliament.

Under the system, constituency MP candidates are independent of party-list candidates, but the most significant point is that well-known party figures who run as list candidates can usually be assured of winning a seat.

Palang Pracharath's push for charter change comes in response to pressure from street protesters who are demanding a more democratic charter, said Manit.

"But if they have to amend the supreme law, they need to do it in a way that gives the party an advantage. They may be calculating that the voting system from the 1997 charter will enable them to win the election and return to form the next government."

The current single-ballot system makes it almost impossible for any political party to gain a parliamentary majority and form a one-party government, as Thaksin Shinawatra's Thai Rak Thai did in the past.

In Manit's view, the 1997 charter was drafted to create two big parties to strengthen political stability while shrinking the influence of small parties and their traditional bargaining role in coalition governments. The two-ballot voting system was designed to meet this purpose.

"But the system led to a 'parliamentary dictatorship' or one-party rule in which the system of checks and balances failed to function," he said.

Revenge for the coup?

Prime Minister Prayut Chan-o-cha is unhappy at having to work with other coalition partners when he can merely "press an order button" to the 250-junta-appointed senators, said Manit. He added that if Prayut and the ruling party want to return to power after the next election, they must find ways to get rid of the bargaining for power by their coalition partners.

The ruling party could face a backlash from political rivals if they lose the reins of power, hence they want to tighten their hold, said Manit.

Then-Army chief Prayut took power after staging a coup to topple prime minister Yingluck Shinawatra in 2014. After the 2019 election, he returned as Palang Pracharath's candidate for prime minister, winning the post thanks to votes from its MPs, coalition partners and the 250 senators.

Still seen as an extension of the junta, the ruling party and its allies may face revenge if opponents overthrown by the coup return to power.

"Like boxers, those in power must keep their guard up and retain power for as long as possible to ensure their rivals don't make a comeback," said Manit.

Landslide victory on cards

The question is, will Prayut be able to come back as prime minister and finish his two-term tenure of eight years. Manit believes this is possible thanks to the power of the 250 senators to join MPs in voting for a prime minister.

"The answer will depend on whether his rivals will give up power. If they won't, Prayut and Co will likely stay on," he said.

"Prayut has laid down structure and manpower in state agencies during his seven years as the PM. I'm convinced that Palang Pracharath will win a landslide victory under the two-ballot system," he added.

Manit has identified seven steps in Prayut's plan to prolong his stay in power.

First, a Bt500-billion Covid-19 relief scheme was approved to ease people's financial burdens and pay medical costs.

Second, the ruling party leadership was recently reshuffled to appoint Deputy Agriculture and Cooperatives Minister Thammanat Prompow as secretary-general.

Third, a draft bill was proposed to restore the two-ballot electoral system.

Fourth was the acceleration of disease-control efforts, rollout of vaccination nationwide, and announcement that Thailand would reopen fully by October (within 120 days). Achieving all these missions would help the government boost its popularity and win voters' hearts.

> **"Like boxers, those in power must keep their guard up and retain power for as long as possible to ensure their rivals don't make a comeback."**

Fifth, the House will be dissolved and an election called at a time that suits the ruling party.

Sixth, Palang Pracharath will propose that Prayut return as the next PM with the expectation of gaining more constituency MPs under the two-ballot system.

Lastly, with the victory, Palang Pracharath will form the next government with Prayut voted in as premier.

The stakes are high for Prayut and Palang Pracharath and they have bet everything on the two-ballot electoral system. The result could go either way: a landslide victory for Prayut and Palang Pracharath or a return to power for the Thaksin-Pheu Thai camp.

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ซูเปอร์ อาร์เมอร์
ฉาบเช้า ทาบ่าย เข้าอยู่เย็น ...ไม่มีกลิ่น
NP100SW
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เป็นซีเมนต์เบส เนื้อสีเนียน คงทนไม่ลอกล่อนกันซึม ผสานติดแน่นทุกพื้นผิว ไม่มีกลิ่น ปลอดภัย ต่อสุขภาพและสิ่งแวดล้อม ผสมกับน้ำก่อนใช้งาน
NP101S
สีทาผนังภายในและภายนอก
สีเคลือบสูตรน้ำชนิดเข้มข้น ใช้งานได้ทันที สีสดยาวนาน ไม่หลุดล่อน ทนแดด ทนฝน กันน้ำ ไม่เกิดคราบและเชื้อรา ไม่มีกลิ่นปราศจากสารระเหย
ไม้ทำเฟอร์นิเจอร์
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ใช้แทนวัสดุ HDF, MDF, Particle Board, Plywood และไม้จริง ที่ไม่ทนต่อความชื้น น้ำหนักเบา ติดตั้งง่าย ไม่บวมน้ำ ไม่ลามไฟ ไม่เป็นเชื้อรา ปลอดภัยกิน เป็นมิตรต่อสิ่งแวดล้อม
ภาพตัวอย่างเคาน์เตอร์ที่ทำจากไม้ทำเฟอร์นิเจอร์ทีพีไอ
NO CORONA VIRUS
เข้าร้านนี้ปลอดโควิด
ผลิตภัณฑ์ล้างผักและผลไม้
ทีพีไอ กรีน อัลคาไลน์ วอช
TPI GREEN ALKALINE WASH
ผลิตภัณฑ์ทำความสะอาดผักและผลไม้
สำหรับล้างผัก ผลไม้ ฆ่าเชื้อโรค
ผลิตภัณฑ์ไมโครม น็อค โซลูชั่น
ผลิตภัณฑ์ยับยั้งเชื้อโรค
Microme Knox Solution
สูตรยับยั้งแบคทีเรียและไวรัส
พร้อมใช้ไม่ต้องผสมน้ำ
สำหรับพ่นฆ่าเชื้อโรค
5 คุณประโยชน์ดีดี ที่มีใน ProVita
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แคลอรี่ต่ำ 30 Kcal
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วิตามินบี 12 มีส่วนช่วยในการทำงานของระบบ ประสาทและสมอง
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ไม่แสบปาก
ปราศจากแอลกอฮอล์
BIO KNOX
ไม่ใส่วัตถุกันเสีย
ไบโอ น็อค
ผลิตภัณฑ์เสริมอาหารแคลเซียมและวิตามินซี
ข้อมูลผลิตภัณฑ์
ไบโอ น็อค เป็นผลิตภัณฑ์เสริมอาหารแคลเซียมและวิตามินซีมีส่วนผสมของสมุนไพรขิงผง ผ่านกรรมวิธีควบคุมขั้นตอนการผลิต และบรรจุภายใต้ระบบ Clean Room ที่สะอาด ทันสมัย
ขนาดและวิธีรับประทาน
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• เด็ก สตรีมีครรภ์ และผู้ที่เป็นโรคนิ่วไม่ควรรับประทาน
• ไม่มีผลในการป้องกันและรักษาโรค
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■ Pranee Muenphangwaree

The year 2020 will always be remembered as the "Covid Year". The pandemic has brought about changes that are unprecedented and will certainly have profound effects on global trade in the years to come.

Pimchanok Vonkorpon Pitfield, Ambassador and Permanent Representative of Thailand to the World Trade Organization and the World Intellectual Property Organization, said Covid-19 has brought with it a new landscape and paradigm for long-term trade and the global economy. Some may be short-term and some may be more permanent.

What, then, are changes that will have a long-term effect on the future global economy? Let us look at some key trade-related and socio-economic developments on the road to recovery from Covid-19.

Investment and supply-chain reconfiguration: While some key services like tourism, restaurants and airlines faced serious contraction, some industries have found a new revival, for example, electronics where gadgets are in high demand. Food security concerns, shortages of materials and components, logistical logjams, container scarcity and price hikes plus border restrictions all have contributed to a political and economic necessity for governments to support a "closer to home" supply chain policy in order to avoid risk and for security and strategic reasons.

Investment also will become more strategic in response to future developments. For example, the US has identified four crucial sectors where they will try their utmost to prevent supply chain disruption and depend on their own, not foreign, investment. They are:

1. Semiconductors and advanced packaging;
2. High-capacity battery for cars and others;
3. Rare earth and strategic minerals;
4. Pharmaceutical products and related materials.

THE ROAD MAP AHEAD

FOR THAILAND'S TRADE IN COVID AFTERMATH

> "The global trade and investment situation continues to be dynamic. But what role should Thailand as a global member play in mapping global trade and invesment?"

Geo-political tensions intensify

The clash between the two major economies – China and the United States – that began during President Donald Trump's term and accelerated because of Covid-19, will intensify under President Joe Biden, not subside. Labour rights will be added to the already long list of issues of bilateral contention, from trade, technology, currency to cyber and regional security.

Living with pandemics

Most people have realised now that Covid and other pandemics will not disappear entirely. This has prompted many governments to step up their capabilities in the healthcare industry and related services and strengthen their competitiveness in this vital area in order to avoid dependence on outside supplies. People will likely spend more on home improvement and healthcare. Online education and training have become a serious option for academic institutions. And, of course, remote meetings through various apps and platforms are likely to stay with us.

Accelerating digital transformation

Even though digital and technology disruption was taking place before the arrival of Covid-19, work-from-home practices and lockdowns have led to explosive growth of e-commerce, digital payment, online sales platforms and home delivery services. In parallel to the Covid-19 aftermath, digital and crypto currencies, as well as fin-tech, grew rapidly while transformation in manufacturing sectors continued through adoption of AI, big data utilisation, and internet of things. Blockchain is increasingly used for trade transactions in products and services.

Green economy and living

Greater recognition of climate change, coupled with fast advancing technology, means that green economy is becoming real albeit at a relatively high cost. Four major areas that will see this trend grow fastest are: food, transport, energy and construction. Think of driverless EV cars powered by electricity pulling through dwellings which are carbon-neutral and environmentally-friendly. End that evening with an organic dinner.

New landscapes for trade rules and negotiations

With all these changes coming, frontiers in trade rules also are changing – but not all of them through the WTO or FTAs. Several countries are taking up issues on digital tax, dealing with big tech companies on tax and competition, tightening investment rules and foreign employee screening to prevent access to sensitive technology, strengthening financial regulation on off-shore accounts and prevention of cyber-crime are just some of the emerging areas where trade conflicts are heading. This is not to say that "traditional" measures are forgotten – "trade remedies", such as anti-dumping, countervailing and safeguard measures, are actively used by many countries as well as tariffs. Increasingly, non-tariff barriers such as standards, safety, quotas and services and investment restrictions are prevalent and even more complicated than ever. These trends reflect the vulnerability of many governments, putting pressure to shield the domestic economy before the post-Covid recovery.

What should a mid-sized, developing country like Thailand do then?

■ It must embrace the new paradigm for trade rules with open-mindedness and forward-looking vision.

■ Focus not only on access to markets but more importantly, find ways for industries and entrepreneurs to develop and have access to technology, finance, data and information, knowledge and know-how.

■ Create a multi-generational domestic ecosystem that is conducive to innovation, human development and social cohesion.

The global trade and investment situation continues to be dynamic. But what role should Thailand as a global member play in mapping global trade and investment? **Auramon Supthaweethum**, director-general, Department of Trade Negotiations, said that in the past, we saw some situations where certain countries adopted trade protectionist measures to address their trade deficit, such as the US and China. Some countries may adopt non-tariff measures due to health reasons in solving the Covid-19 problem.

However, countries are aware of the negative effects of trade protective measures, especially during the Covid-19 crisis. They see that trade is a crucial factor to help cope with the Covid crisis. As in the international dialogue forum, many countries have joined hands or vowed to avoid implementing trade restrictions that do not comply with WTO. They have also promised to place no obstacles in the import-export of pharmaceutical products, medical equipment and essential goods as quoted in Asean and Apec (Asia Pacific Economic Cooperation) statements, for instance.

For Thailand, it is significant to adopt the open trading system and comply with world trade rules under international standards, while not creating unnecessary trade barriers This will contribute to the economic recovery of Thailand and the world in dealing with the Covid-19 crisis.

New free-trade agreements must be consistent with the word trade direction. It was found that FTAs in the past 20-30 years emphasised on reducing barriers in trading products, services and investment. However, the implementation of FTAs over the past 10 years to date has been more comprehensive, including opening the market for goods, services and investment. There are regulations to enhance transparency, fairness, and competitiveness as well as more new issues like digital trade, environment, trade and sustainable development, labour, social and environmental responsibility, investment facilitation, measures to reduce investment barriers for promoting cross-border flow of investors, etc.

Jareeporn Jarukornsakul, chairman and Group CEO of WHA Corporation Pcl, said that global investment would grow in Asia. It can be seen from the past that the investment rate has always expanded, led by China, India and Indonesia because of their large populations. Asean and Thailand must keep an eye on China's One Belt One Road policy which will link Asean with Europe.

"Thailand also has an advantage being in the geographical centre of this region. This advantage must be used to show leadership and increase competitiveness," Jareeporn said.

BCG MODEL

Thailand's infrastructure for a sustainable future

Rapid changes and new challenges in today's world point to a future where old ideas will no longer be applicable, especially in matters of economy.

And in preparation for this future, the Department of International Trade Promotion (DITP) applies the BCG (bio, circular, green) economic model, which adds more value to products. The aim is to encourage Thai entrepreneurs to use both biological and cultural tools to enhance growth under the concept of "do less, get more" as well as ensure sustainability of not just the business itself, but also the community and environment.

This way the entire system is sustainable as well as beneficial for producers, raw-material suppliers, buyers and eventually the globe.

Talking on the subject of "Economic Response to Covid-19 in the Region", Commerce Minister Jurin Laksanawisit said Thailand had successfully identified how the Covid-19 crisis had impacted both the business sector and economic growth.

He was speaking at a recent meeting between APEC trade ministers and the APEC Business Advisory Council.

Jurin said Thailand aimed to speed up its vaccine rollout so it could start building confidence in regional cooperation as well as promote trade based on the BCG model. This, he said, was also key to driving Thailand's economy in the post-Covid era.

Value based economy

The government also aims to change Thailand's economic structure into a value-based one by shifting from basing growth on tangible assets such as land, labour and capital, to new intangible economic drivers. The new economy uses intellectual property and value-addition as its engine, by focusing on creativity, innovation, technology and digitalisation to upgrade different industries.

Thailand to a great extent is still an agricultural economy and the business sector is able to take advantage of the country's wealth of cultural and local wisdom. However, this wealth is not being used efficiently and may eventually vanish. Hence, the DITP has created the BCG economic model to adopt a development approach that is more easily accessible and can help Thailand escape the middle-income trap as well as achieve the United Nations' sustainable development goals.

The BCG can be applied by all businesses and is not limited to any industry. Businesses applying this model do not need to meet B, C and G at the same time, nor is it necessary for them to use the same technology. The aim is to choose an appropriate method and technology while adopting the sufficiency economy philosophy.

Application of new model

The DITP, which falls under the Commerce Ministry, has been implementing the BCG model through many activities, such as working with research and science institutes to come up with innovations, empowering Thai entrepreneurs and upgrading research work so it meets international standards.

The department has also been building links, promoting trade, marketing, research, technology and innovation to help researchers gain access to the market sector. The DITP is also helping international traders gain access to local innovations in line with the "marketing leads to production" strategy, which works hand-in-hand with the commerce minister's policy to build an innovation and creativity-driven economy.

The department is currently building links between each agency, facilitating the sharing of knowledge as well as linking entrepreneurs to truly integrate work from upstream to downstream.

Ensuring food security

Somdet Susomboon, DITP's director-general, explained that the BCG concept could be applied to agriculture to ensure the country's food security. Thailand is one of the world's top food producers, but also produces an excess of carbohydrates and sugar, but not enough sources of protein.

Hence, Thailand has to adjust its production system and focus more on producing protein by applying the BCG economic approach. This will not only ensure the population has access to good nutrition but will also help with food security in the long term.

At the same time, food security can lead to a circular economy, in which all resources in the production system can be restored and recycled to cope with future shortages. The "circular food" concept was initiated to create a sustainable new world in the food system.

Building blocks of innovation

The Commerce Ministry is also applying these principles to develop innovative products as well as giving businesses access to real trading. For instance, the DITP's recent "Idea Lab: Thai Agriculture Innovation" project saw the launching of the Laika brand, which produces pet treats made from insects.

The Laika brand was created by entrepreneurs who were not just concerned about the state of the environment but also wanted to solve the problem of food waste in Thailand.

Hence, they established insect farming, which serves not just as an alternative protein, but also works on a circular chain as the food for insects comes from organic vegetable scraps abandoned by processing plants. The insects are then processed into top-grade snacks for dogs.

This idea does not just solve the problem of waste, but also cuts down on the use of resource and creates a value-added product.

The DITP is also working with the Thai Packaging Association to produce environmentally friendly packaging.

In order to keep up with changing global trading practices and sustainability, the DITP is not just promoting efficient use of resources, but is also pushing for reuse and recycling, so Thai exporters do not face a barrier in the future.

These sustainable practices also help promote a good image for Thai exporters in the international arena.

The department is also offering opportunities to develop agricultural and industrial waste products into creative items through the Design from Waste of Agriculture and Industry 2021: DEWA & DEWI 2021 activity.

The activity was initiated in line with the BCG model, which aims to create value-added and alternative products and services based on market demand. The new system allows for experimentation and creating alternative products with new materials that keep the use of resources limited and keep waste minimal or zero.

The future is uncertain, and as long as new challenges continue to arise, Thailand will need economic models like BCG to ensure development and brighter prospects.

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"we have crystallised our Group Strategy 3M, the integration of our MOVE, MIX and MATCH platforms, in order to enjoy continuity in operating our business effectively once and beyond the overall situation returns to normal."

Keeree Kanjanapas
Chairman of BTS Group

MIX
BRAIN

MOVE
DOOR-TO-DOOR

MATCH
SHARING
ECONOMY

Thailand's economic future post Covid-19

The old saying "what we do now will determine our future" is highly relevant to the situation we currently face, as the actions we take over the coming months in the fight to contain Covid-19 will shape the prospects of the Thai economy for decades to come.

As the light at end of the tunnel draws nearer – with good news coming in about the success of Covid-19 vaccines, herd-immunity, and the re-normalization of life in the US, Europe and other parts of the world – people are looking forward to living more normal lives once again.

But what awaits us at the end of the tunnel?

Key risks in the post Covid-19 world, or the new normal, will be those we previously faced before the pandemic started. When people look back 10 years from now, the pandemic will be regarded as an event that briefly overshadowed and interrupted three key megatrends:

(1) The Fourth Industrial Revolution. Technological disruption will return with a vengeance. Although Covid-19 helped reduce some of the pressures on businesses from technological change, it also accelerated certain aspects of digital transformation reducing adoption times from 7-10 years to as short as one to two years.

(2) Trade wars. Resumption of trade wars should be expected. Even with President Biden leading the US, the fundamental problem remains unchanged – China is emerging as a true challenger to existing global power structures. With the size of her economy increasing along with major technological advancements, China will place great competitive pressure on existing economic powerhouses.

(3) Geopolitics. Conflicts will return in some regions of the world. The Middle East illustrates this situation as clashes that had been temporarily paused are now regaining momentum.

What should we do before we reach the end of the tunnel?

In every crisis lies great opportunity. This time is no exception.

Crisis creates great difficulties, but times of crisis are often also the best times for change.

Businesses that manage to turn Covid-19 into their opportunity will thrive during the new normal. But those that spend their time waiting for the pandemic to end and wishing to return to the world they knew before the crisis, will face even greater challenges.

This is because as those companies stalled and stopped, many of their old competitors and some newcomers instead used this crisis to diligently fine-tune their operations – reducing excesses, improving efficiency and adopting new digital technology – and create new products ready to be launched once the recovery is in full swing.

This is why some businesses that manage to hold on until the end of the tunnel, may still fail in post-Covid period.

Thailand, as a country, faces similar challenges. As we try to reduce the numbers of people who fall sick or succumb to the virus as well as minimize the scars Covid-19 is leaving on the economy – such as failed businesses, rising non-performing loans and public and household debt, as well as losing some of our key assets to foreign businesses – we need to continually lay down new foundations for the post Covid-19 world.

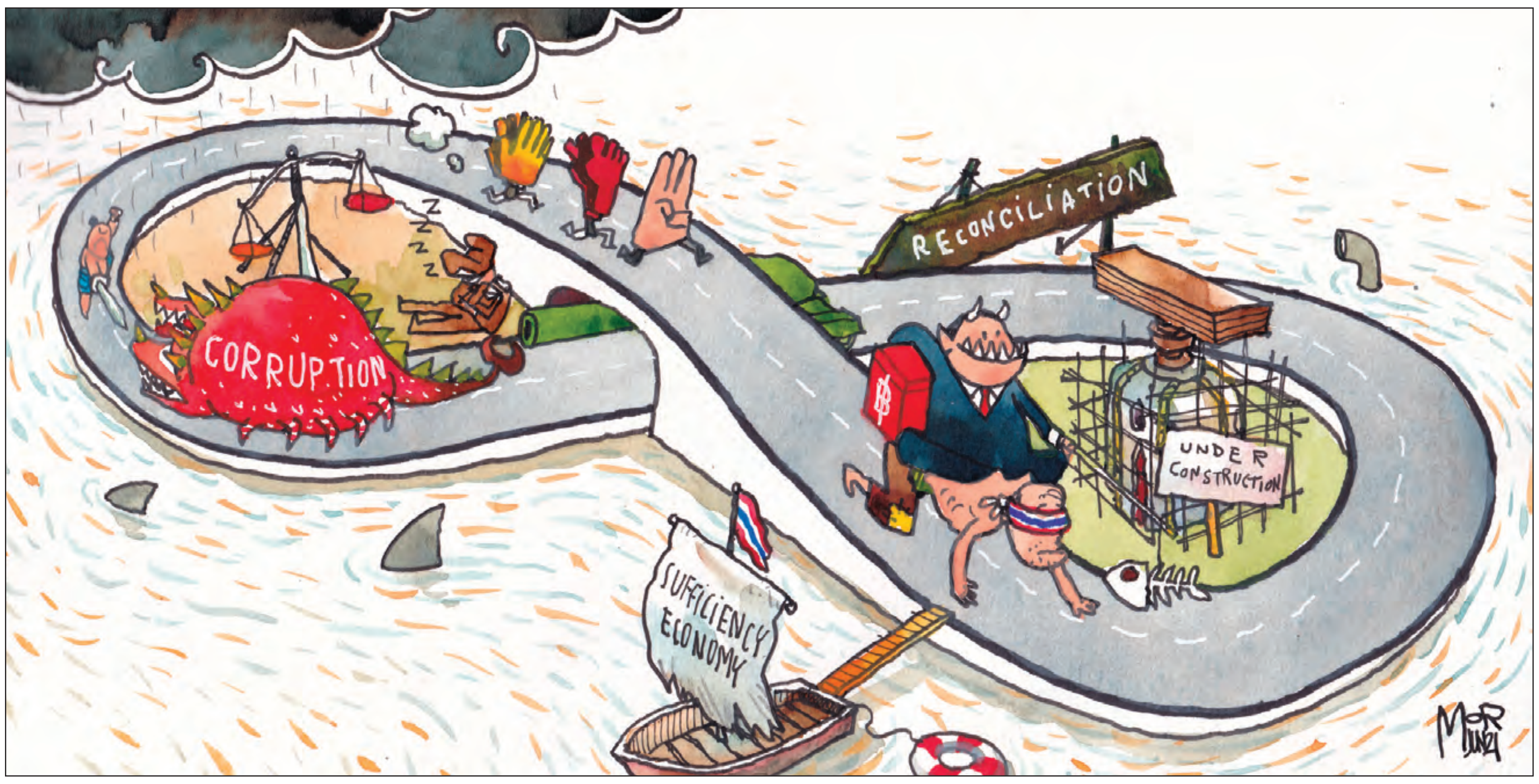
Kobsak Pootrakool
Senior Executive Vice President
Bangkok Bank

Our neighbors have been working hard at this. Indonesia has been producing many startups and unicorns, as well as introducing changes to outdated regulations with the new Omnibus Law. Malaysia has been attracting industries of the future, such as digital technology and electric vehicles (EV). Vietnam has emerged as the winner in supply chain relocation and now receives three times the foreign direct investment than Thailand. China, US and the EU are now introducing major infrastructure projects both domestically and through international cooperation under initiatives such as the Belt and Road Initiative and the G7's Build Back Better World that will substantially reduce logistics costs and raise productivity.

The most unfortunate thing is that, at this point, Thailand is too pre-occupied with the short-term management of Covid-19 and spends too little time laying down necessary foundations for future.

Like businesses, if we, as a country only wait for Covid-19 to end and do not use this opportunity well, Thailand will emerge in a greatly disadvantage position in the post Covid-19 world.

It is still not too late. What we do now will determine our future. If we use the coming months well; changing outdated laws and regulations, reshaping existing industries (agriculture, tourism, automobiles, and petrochemicals), and pushing for new immediate S-curve industries (such as bio-circular-green and digital, as well as become the leading regional hub for regional headquarters and logistics), we can still secure a great prospect for ourselves, our country, and our future generations.



A return to normal is not good enough

Korn Chatikavanij

The Thai economy lacked vibrancy even before we were hit by Covid-19 in March 2020. The most alarming indicator of this is the sharp drop in investments, both foreign and domestic and both direct and through the stock market. Therefore, it is not enough to be working towards a "return to normal". Frankly, normal is not going to be good enough.

I returned to Thailand in 1988 after over a decade studying and working overseas. I was 23 years old and whilst I had the privilege of choice to work or live anywhere I wanted, there was never a doubt that I would return to start a business back home. Thailand at that time offered the best opportunity for me and my peers, including to foreigners who flocked to our country in that period, to enjoy the benefits of a vibrant society and a booming economy. In macro terms, income from industrial production had just a couple of years earlier surpassed income from agriculture. Income per capita of Thais tripled between the years 1988 and 1996. In short, there was no place in the world as exciting to invest, live and work at that time as Thailand.

That sadly is not the case for working Thais today. We need to recapture the zest and the sense of the possible that we had in the past. I believe to do this we need to start at the top -- the government itself -- and the starting point is with the mindset of those in power.

Because of Covid, we understand more than ever that we live in a world of VUCA -- volatility, uncertainty, complexity, and ambiguity. The only certainty is uncertainty. Even today, a couple of weeks after the prime minister announced that the country would reopen in 120 days, no one can say with any certainty whether there will be sufficient vaccines to protect us from the ever-mutating virus. In this environment, what is needed is a mass of data and data analytic capability. Most importantly, we need a government and supporting bureaucracy that is extremely agile. This past year has shown that our government and bureaucracy do not have the tools, structure, culture or mindset to be sufficiently responsive to a VUCA world.

> **"That sadly is not the case for working Thais today. We need to recapture the zest and the sense of the possible that we had in the past. I believe to do this we need to start at the top -- the government itself -- and the starting point is with the mindset of those in power."**

The starting point must be to reform how the government operates. Today we have the tools to do this: technology. But to do this we need a new mindset. When the SEC [Securities and Exchange Commission] recently announced new controls over the trading of crypto assets, there was scant consultation and the resulting set of new rules sent all the wrong signals to developers that will only result in a slowdown of innovation and migration of skills to a more welcoming environment. This reflects the prevailing mindset and without a different set of attitudes, no change and little innovation can take place. However, once a new mindset is in place at the top policy level, we can learn from others how technology might be best applied to make the changes we want to see.

There are good examples to be studied from the UK, South Korea, Taiwan or Sweden amongst others. But the most complete case of how GovTech (Government Technology) can be developed to provide efficient service to citizens is in the country of Estonia. Estonians can interact with their government in every activity via their mobile device, except when they get married or buy a house, when they actually have to show themselves physically. This implies a low-priced bureaucracy that is both efficient and transparent. Transparency means no corruption, no bias and no hiding behind conflicting sets of rules that make life impossible for honest citizens. I believe that Thailand needs to commit to upgrading its government services in this way.

One important result of this is that the government will become less of a burden to the taxpayer. We have one of the most expensive bureaucracies relative to national budget in Asia, if not the world. Swedes may pay more tax than us (50 per cent of GDP compared to 17 per cent for us) but 80 per cent of their budget flows right back to their citizens. In Thailand, almost 100 per cent of our tax revenue goes towards keeping the bureaucracy running. The government had to borrow massively through an executive decree in order to supplement loss of income to individuals during the Covid period. GovTech will allow less tax money to be used to oil the wheels of government and more to look after the well-being of the Thai people.

A commitment to GovTech and the resulting Big Data will enable us to better find our new growth area (so-called new S-Curve). GovTech necessitates a modernisation of our laws and regulations. This will allow the creation of an experimental 'sandbox' to develop new businesses and ideas in tech and even agriculture.

There are other changes that need to be made, especially in the fields of education but it all needs to start with the modernisation of our government and bureaucracy. Only then can we see efficient decentralisation and accountability from the government that we have the right to expect.

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(Korn Chatikavanij was Finance Minister from 2008 to 2011)

50 Years of the NATION Years of the Thai economy

Narongchai Akrasanee

The NATION was born in 1971, 50 years ago.

Coincidentally I began my professional career as an economist in 1971/72 when I was about to finish my Ph.D. in Economics at the Johns Hopkins University, and then to return to Thammasat University in early 1973. So I have had almost 50 years to work on the Thai economy, almost the same as the NATION has worked on Thailand, in Thailand.

In 50 years, what had changed in Thailand as seen by the NATION, and as seen by myself? Let me share my views.

For me, what had changed so much was the size and shape of the Thai economy. But for Thai politics, hardly anything had changed.

Since 1971/72 Thailand has had many forms of government, some by selection, some by election, but mostly by the hybridform of selection plus election. The changing forms of government came with political instability, sometime turmoil. I have counted the years with political troubles, and it came to about half of the 50 years!

Yet, the Thailand's GDP has grown tremendously, although with debatable quality of growth.

In 1971-1972, GDP of Thailand was about ฿60,000 million; in 2020-21 it is about ฿16,000,000 million. That growth was more than 250 times in 50 years! Yes, the number is in nominal terms. But with relatively low inflation and minor change in exchange rate, from about THB20 to $1 then to about THB30 to $1 now, the change of the Thai economy was remarkable.

Thailand now has the capital market considered to be in the first world-class measured by the cost of capital and stability of the exchange rate. Thai industry and service sectors are classified to be in between the second and first world categories.

And yet, our politics and social governance are considered to be still in the third world!

How has Thailand attained economic achievement with so little political development?

Looking back, and using Netflix format, there were political timings that allowed opportunities for changes, and Seasons and Episodes of changes took place.

The Thanom / Prapas regime in 1971-72 was a carry over from the Sarit Regime in 1957 to 1963 when the first generation of infrastructure was started to be built, financed mostly by the World Bank and the Japanese OECF, using the governance of these organizations to manage the projects. That was Season 1, with many episodes about building dam and electricity, water supply, and roads / highways.

Season 2 was in 1976 when the Kukrit government restored ties with China, which led to economic opportunities with China for many years since China adopted the Chinese form of market economy from 1978. Unfortunately, this Season 2 had very few episodes. The political turmoil took place soon after, with the climax's taking place on October 6, 1976.

Season3 began in a small way under Kriangsak government in 1978 when Thailand discovered a very respectable size of deposits of high quality natural gas in the Gulf of Thailand. That was the beginning of the development of the energy sector in Thailand, with the establishment of PTT to develop the oil and gas sector, together with EGAT for the electricity sector. Thailand now has a very strong energy sector by international standard.

This Season 3 had so many episodes of economic changes, because the Kriangsak government was transformed to become the Prem government in 1980, which then lasted for 8 years.

It was under the Prem regime that Thailand adopted the policy of industrialization by export promotion, highlighting foreign investment. The Eastern Seaboard Development was the flagship project for this policy. Another important policy was the systematic promotion of the tourism sector, which has become one of the most important sectors in Thailand today.

The sectoral development policy was carried out together with an equilibrium adjusting macroeconomic policy in terms of the suitable rates of foreign exchange and interest, and the price levels.

In the meantime a comprehensive system of economic governance was put in place, some of which are still functioning today.

It was at this time that the private sector, supported by the Prem government gained a major role in the Thai economy.

Season 4 began under the Chatchai government during 1989-1991, when the policy of privatization and concessions for operating public utilities was started. This policy took many shapes and forms under different governments, namely Anand (1991/92), Chuan1 (1992/95), Banharn (1995/96), Chavalit (1996/97), and Chaun2 (1997/2001). The major policy results are several projects operated by the private sector including telecom, motorways, mass rapid transit, electricity, and water supply.

During these times, reform of the capital market took place in 1992, resulting in the rapid growth of the financial sector which collapsed in 1997/98, and then recovered in 2000/01 with much better governance.

Also in this period, the era of business conglomerates began and have been flourishing in Thailand, which became a political force. One such force resulted in the government of PM Thaksin which came to power in 2001.

Season 5 was all about political economy, rather than the economy by itself. It began with the Thaksin government in 2001. The government was successful in building up strong economic forces to strengthen its political power, so successful that it threatened the traditional balance of political power in Thailand.

Episode1 of Season5 under Thaksin began with the modernization of the Thai economy relying on the rapid changes in digital technology and with mega-projects for the third generation of infrastructure.

Then the coup returned, starting with the mob in late 2005, with the coup in September 2006. Since then, Thailand has been under political uncertainties in most years, interrupting the implementation of several megaprojects and economic policy reform.

Fast forward to Season 6, which began in May 2017 with another coup. There are many Episodes because the coup makers who first said they would not stay long, have then decided to stay very long. The Prayut / Pravit regime started to govern Thailand first with a government by selection, and now a hybrid one. Many mega infrastructure projects which began many years earlier have been completed, and some are still on-going. But economic reform in the area of rules and regulations to make economic undertakings transparent, with clarity and integrity has not progressed much. And the digital economy needs much work to create the ecosystem that allows it to really help Thailand move into the new economy.

So, looking to the future, what do we see, what do I see?

I must say that I do not expect much in terms of political changes. We may have a new constitution, as we have had so many so far. Whatever a legal constitution is, the governance of Thailand is still according to "the constitution" based on culture and tradition, as it has been since 1960.

With respect to the economy we will have a new Season, Season 7, starting from 2020/21, still under the Prayut / Pravit regime.

Episode 1 in this season is all about the COVID-19 economy, the economy as a result of the pandemic management by the government. It will then be followed by Episode 2, the recovery or rebound, again depending upon how the economy is managed.

The fact is that the pandemic does not damage physical assets of the economy, i.e., buildings, plants & equipments, and land. The damage is on financial and human assets. So the recovery and rebound formula should be to help businesses solve their financial problems, and to facilitate the people to return to the workplace.

If the formula applied is right, then I expect the Thai economy to move forward, with digital technology being the new engine of growth. Thailand as a country has a lot of private savings that can be used to finance these changes.

The political uncertainties, which will remain in the foreseeable future, may slow down but are unlikely to prevent the changes.

BRIGHT FUTURE FOR MULTIFACETED Thailand-US RELATIONSHIP

Nanthidra Puangthong

The United States and Thailand have enjoyed a close commercial relationship for more than 200 years and that relationship has endured even as our economies have changed from agrarian societies to textiles to manufacturing hubs of automobiles and industrial parts, says Michael Heath, the charge d'affaires at the US embassy, on the occasion of the Nation Group's 50th anniversary.

Heath sees the opportunity for greater cooperation between the US and Thailand, although the two countries have had a long relationship.

He said over $50 billion worth of goods and services are traded between the two countries, and the US is Thailand's largest export market.

"Thailand is embarking on a plan to digitalise, decarbonise, and diversify its economy, what is known as Thailand 4.0, and the United States is eager to partner once again with Thailand. With our world-class companies involved in solar, wind, electric vehicles, and battery storage, we believe there is a great opportunity to collaborate on creating a cleaner, more sustainable future together.

"We also see great potential in the digital economy as American companies -- world leaders in cloud, social media, and e-commerce -- can train Thai businesses on how to make the most of the digital frontier.

"We also see the creativity and drive of the Thai people and want to help unlock their potential. One of America's strengths has been our ability to foster a culture of innovation and entrepreneurship.

"Covid-19 has strengthened our resolve to cooperate with our friends and allies. I am proud that Thailand and the United States are at the leading edge of international health cooperation and have been for over 60 years."

The US diplomat said the Armed Forces Research Institute of Medical Sciences has been working on cutting edge therapeutic drugs, vaccines, diagnostics, and preventative measures that have saved countless lives in Thailand and across the world.

"In just the most recent example, over the past year, they have been assisting Thai researchers at Chulalongkorn University in developing a new mRNA vaccine that could help tackle future coronaviruses," the US envoy said.

The CDC and USAID have worked hand-in-hand with their Thai counterparts to help develop the public health system that has kept Thailand's Covid-19 fatalities far below those of many other countries, he added.

Covid-19 also upended global supply chains and underscored that even in a globalised world, it still matters where your physical factories are located.

"The United States is conducting a global review of its supply chain security, and we see opportunities to work with Thailand, which has shown itself to be a reliable supply chain partner," the charge d'affaires of the US embassy said.

"President Biden plans to convene a global forum on supply chain resilience that will bring together key US allies and partners to assess vulnerabilities, develop common approaches to supply chain challenges, and work to build strength through diversity and shared prosperity," he said.

"I think the future of relations between the United States and Thailand is extremely bright, especially as our countries begin to emerge and recover from the pandemic. Our future is built on the foundation of our 200-year history of friendship.

"I am very hopeful for the day in the not-too-distant future when US citizens can again travel here to experience the wonder and beauty of Thailand and to help support the post-pandemic economic recovery." Heath said.

"I think one of the clearest signals of the importance of the US-Thai relations is the fact that Secretary of State [Antony] Blinken called Foreign Minister Don [Pramudwinai] on his first day in office. Since then, Secretary of Defence [Lloyd] Austin has spoken with Prime Minister Prayut [Chan-o-cha] to discuss strengthening our security alliance.

Deputy Secretary of State Wendy Sherman chose to come to Thailand on her first trip in office. She had productive discussions with the prime minister and the deputy prime minister/foreign minister about our shared commitment to advancements in healthcare and climate change, two important areas of human security where we are working together with Thailand."

Heath said the US has long supported Thailand's leadership within Asean.

"Asean is at the geopolitical centre of the Indo-Pacific, and Thailand is at the heart of Asean. Thailand has helped integrate the economies of Southeast Asia, and we look forward to future collaboration in health, environment, climate change, energy, and transportation," the US diplomat said.

"We see great potential in Thailand's work to strengthen ACMECS [Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy], increasing regional connectivity and harmonising regulations across the five ACMECS member countries [Thailand, Laos, Vietnam, Cambodia and Myanmar].

> **"ASEAN is at the geopolitical center of the Indo-Pacific, and Thailand is at the heart of ASEAN. Thailand has helped integrate the economies of Southeast Asia."**

On the security front, the United States continues to assist and collaborate with our Thai partners. Joint military exercises, for example, help support Thai sovereignty and preparedness for natural disaster response," he said.

"We also highly value our law enforcement cooperation on combating transnational crime, including illicit trafficking of people, narcotics and wildlife, cybercrime and money laundering, all of which is in the mutual interest of both of our countries, and the region.

"In 2020, we launched the Mekong-US Partnership to address the challenges faced by the countries of the Mekong. One example of support to Thailand is the creation of the Mekong Dam Monitor, which increases transparency and delivers near real-time information about upstream activity to communities in Thailand and other countries. But the Mekong-US partnership is about far more, including such cooperative efforts as health, counter-trafficking and law enforcement, energy, and women's economic empowerment," the US diplomat said.

CHINA-THAILAND relations get stronger IN FACE OF ADVERSITY

At present, great changes and the epidemic situation overlap and resonate, bringing unprecedented impact on global political stability, economic operation, and health governance system.

Meanwhile, the trend of world multi-polarization has not fundamentally changed, economic globalization has shown new resilience, and the voice of upholding multilateralism, strengthening communication and cooperation, and achieving mutual benefits and the win-win situation has become stronger.

In such an era of challenges and hopes, the profound friendship between China and Thailand, which has been lasting for thousands of years, is constantly being sublimated, and the comprehensive strategic cooperative partnership between China and Thailand is becoming increasingly prosperous.

'Yang Xin' Charge D'affairs of the Chinese Embassy said we work hand in hand to build a strong wall against the virus. Leaders of the two countries and people from all walks of life have encouraged each other and carried out fruitful cooperation in diagnosis and treatment, vaccines, prevention and control, etc.

So far, China has provided more than 10 million doses of the covid-19 vaccine to Thailand, and we also thank Thailand for the support and cooperation in the implementation of "spring seedling action" in Thailand.

We overcame difficulties and pushed forward bilateral practical cooperation against the downward trend. In the first four months of this year, the trade volume between China and Thailand increased by 37% year on year, especially the trade of agricultural products developed rapidly. In the Q1 of this year, Thailand's vegetable exports to China increased by 96%.

At present, Huawei has helped Thailand to become the first 5G commercial country in ASEAN, ZTE has invested in a 5G smart factory in Thailand, and Great Wall Motors has invested in new energy electric vehicle production base in Thailand. The cooperation between the two countries is full of new dynamics and new highlights.

> **"No matter how the international situation may change, as long as we work together hand in hand, the friendship between China and Thailand will last forever"**

This year marks the 100th anniversary of the founding of the Communist Party of China. China has embarked on a new journey of building a modern socialist country in an all-round way. The new development model with "dual circulation" as its prominent feature will bring more development opportunities to countries all over the world, including Thailand. China-Thailand cooperation has broad prospects.

"The two sides should seize the opportunity, tap into the potential, promote cooperation and jointly create the future, so as to into new impetus into the well-being of the two countries and regional development." Charge D'affairsof the Chinese Embassy said.

Yang said in this regard, I would like to share the following views:

I. Strengthen strategic alignment. Continue to build high-quality BRI, step up consultation on the cooperation outline of BRI between the two governments, and promote an in-depth connection between Guangdong-Hongkong-Macao GBA and Thailand's EEC; continue to learn from each other and constantly strengthen the exchange of experience in poverty reduction and rural development between China and Thailand.

II. Promote cooperation in the fight against the covid-19. China will continue to do its best to meet Thailand's demand for vaccines, and hopes that both sides will encourage their enterprises to speed up the discussion of establishing a vaccine filling center in Thailand; strengthen cooperation in infectious disease prevention and control, diagnosis and treatment, traditional medicine and other fields, and build a community of common health for both countries.

III. Deepen economic and trade cooperation. Speed up the construction of China-Thailand railway and improve the level of interconnection; strengthen exchanges and cooperation in areas such as advantageous production capacity, infrastructure, smart city, and digital innovation; encourage Thailand to develop a 'bio cycle' green economy and strengthen cooperation with China in developing a green, low-carbon and circular economy.

IV. Promote people to people exchanges. Efforts should be made to overcome the impact of the epidemic and continue to carry out cooperation and interactive exchanges in the fields of education, culture, science and technology; Promote knowledge and technology sharing, talent exchange and training, especially around the railway, communication technology, small and medium-sized enterprises to carry out targeted professional training.

V. Expand multilateral cooperation. China supports Thailand in hosting next year's APEC leaders' informal meeting, appreciates Thailand's active support for the upgrading of China-ASEAN relations, and is willing to work together to promote the coordination and development between the Lancang-Mekong cooperation mechanism and the three river basin mechanism, strive for the early implementation of the regional comprehensive economic partnership agreement, and further strengthen coordination and cooperation in the United Nations and other multilateral institutions.

Epidemic and chaos are intertwined, and the right path leads to a long way. No matter how the international situation may change, as long as we work together hand in hand, the friendship between China and Thailand will last forever, and the future of China-Thailand comprehensive strategic cooperative partnership will be even better.

THERE IS NO NEED FOR THE MILITARY IN POLITICS

■ Darakorn Wongprapai

Thanathorn Juangroongruangkit has already left behind his role as the leader of the now-dissolved Future Forward Party (FFP). After stepping out of Parliament, he is now active as the chair of the Progressive Movement and focuses on local politics.

In an interview, Thanathorn expresses his views on Thai politics, and his vision for the country.

Q : With the 20-year national strategy in place, how do you envision Thailand in the next 10 to 20 years?

A : In my view, the national strategy is not only vague but it is also a tool used by an unelected power group to destroy the elected representatives of the people.

In the next two decades, I hope Thailand will be a simple society. People, regardless of their financial situation, should have access to quality education. Public transport should be good and convenient. There should also be more parks in the country, with clean air for people to enjoy.

I also envision a Thailand that will develop its own technologies and prove competitive in a global market. Thailand will also lend a hand when neighbours have a difficult time. Our country will also drive key global agendas including human rights.

And of course, I want to see Thailand become a democracy.

Q : What are Thailand's traps?

A :We have technologies and competence. Yet, so many problems have raged on in Thailand because of structural problems.

Thailand hits a dead-end because power does not belong to the people. A handful of privileged people have that power. Resources therefore are not really used to upgrade people's quality of life.

Q : What is your ideal constitution Should Thailand have just a few political parties?

A : More than 60 million people live in Thailand. It is, of course, not possible to have them all agree on everything. But if we have a social contract to govern co-existence, it is possible for all to live here peacefully.

By democratic principle, people are the co-owners of their country and they are all equal.

While the legislative branch should have enough power to run the country efficiently, it must be subject to checks and balances.

But today, pushing for such principles is so difficult. When we speak up for these values, we are labelled radicals.

I am labelled an extremist, just because I dream to see something like the Netherlands and Britain happen to Thailand. I want to ask back if Thai society is too conservative?

The FFP tried to push for charter change right after the 2019 election. Under the current charter, power does not come from people. You can observe this from the origin of independent agencies like the Election Commission and the National Anti-Corruption Commission.

After the FFP was dissolved in 2020, protesters demanded the resignation of Prime Minister General Prayut Chan-o-cha, reform of the monarchy, and charter change. Due to the protests, the government agreed to change Article 256 (governing charter change). Even though the proposed change sailed through the first and second readings, it was rejected in the end. It is quite clear that the powers-that-be do not really try to amend the constitution.

The current electoral system also has so many problems. Under the system, it is very difficult to establish a political party and not all of people's votes are meaningful. Thailand's system uses just one ballot. But Germany has two ballots, with the party-list ballots used to determine how many seats a party should get. Germany also has overhang seats. It allocates additional party-list seats to cover any proportionality gap. I think the German electoral system best suits the Thai context.

With such a system, small parties pushing for certain agenda such as farmers' rights, LGBT, and sports will be able to swing into action.

Q : Is the military still needed in Thailand's politics like when serious conflict erupts and lawlessness starts emerging?

A :There is no need for the military in politics. If we look back, we should be able to see that protests that caused unrest were held to pave the way for coups.

Prayut told Time Magazine that he thought about staging a coup since December 2013. This fact means protests that ran from late 2013 to mid-2014 were intended to trigger the coup. In other words, protest leaders would not lead society to a dead-end if they did not have military backing.

I want to see a modern armed force that upholds the mission of protecting its country from external enemies.

To date, military men have protected their own interest. How many generals are in the National Legislative Assembly? How much are their assets?

Military reform must happen. There should be no place for the military in politics. The military should be strong and modern for the role of protecting Thailand from any invasion.

Is there any other country where its armed forces have made people their enemy? Military reform really must happen in Thailand otherwise the country will never be democratic.

Q : What characteristics should a country leader have?

A : Country leaders' qualifications may have to vary, depending on the situation at each particular time. For today, I think a country leader should be brave. We need a leader who has the guts to straightforwardly tackle the country's problems.

Many know what the problems are but they dare not speak up about these problems.

Q : You stumbled on your political path because of legal issues. What is your next plan?

A :I would like to reiterate that I stepped into politics not in search of fortune or positions. I don't focus on personal interest. I don't think about making my family richer, famous or powerful.

So, even though the FFP was dissolved, I have continued working for the causes I believe in. The Progressive Movement has two missions. Firstly, it promotes ideologies to push for important agendas such as charter change, monarchy reform, military reform, and decentralisation. These agendas will benefit the country.

My ideological struggle will be in the form of public policies.

Secondly, the Progressive Movement has engaged in local politics. We have now had more than 50 members of provincial administrative organisations' councils. At the municipal level, we have 16 mayors and more than 100 municipal-council members.

1971

JULY 1

The Nation debuts on July 1 with the headline "The how and why of The Nation". The fledgling daily announces: "*The Nation* will be a responsible newspaper that follows an independent and impartial editorial policy." Accompanying this article is a cartoon depicting the newspaper as a boy with a topknot and traditional attire greeting adult members of the Thai press with a "wai".

The inside pages of the maiden edition feature stories and photos of *The Nation*'s co-founders, executives and reporters, as well as the editorial office.

Thailand's first and only locally owned English daily at the time, *The Nation* was edited and published by ML Yod-aksorn Singhara, with Thamnoon Mahapaurya serving as editorial director and Suthichai Yoon as managing editor.

2021

July 1

2019

June 28

FAREWELL EDITION

2019

JUNE 11

After a long tussle between pro- and anti-junta camps, junta chief General Prayut Chan-o-cha is royally endorsed as prime minister after winning votes from 254 MPs and his hand-picked 250 senators.

Observers believe the government, with its slim majority, will be unstable and face strong chalenges from the rival camp. However, analysts also believe this "version" of the junta might last longer if it wins support from both Parliament and the Army.

1973

OCTOBER 14

Student activists lead an uprising against Thanom's government after years of dictatorship, resulting in clashes with security forces and, ultimately, a bloodbath.

OCTOBER 15

The "Three Tyrants" – Thanom, Field Marshal Prapas Charusathien and Colonel Narong Kittikachorn – flee the country and King Bhumibol Adulyadej appoints Privy Council member Sanya Dhamasakti as PM.

1981

APRIL 1-3

Army "Young Turks" try to overthrow Prem's government. The rebel force has soldiers from 42 battalions – the largest ever mobilised in an armed rebellion in Thailand. The rebels take control of the capital, leading Prem to launch his resistance from Nakhon Ratchasima province, where King Bhumibol and Queen Sirikit join him, along with other members of the Royal Family. Government forces regain control of the capital and the rebels surrender. The rebellion's leaders flee the country.

2017

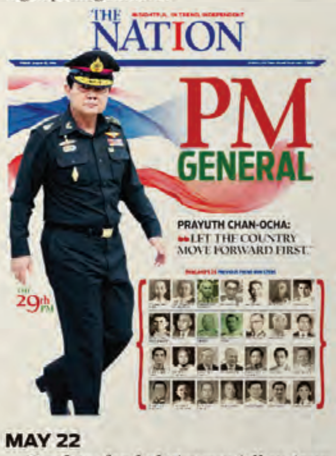
AUGUST 25

Yingluck fails to appear in court for a verdict in a long-running trial for alleged dereliction of duty in overseeing her government's loss-making rice-pledging scheme. It is believed she has fled the country, though her lawyer insists she is merely suffering from an ear infection. The Supreme Court refuses to believe the excuse, issues an arrest warrant and reschedules the verdict for September. The court later finds her guilty and sentences her to five years in jail.

2014

FEBRUARY 2

After months of protests, Parliament is dissolved and a general election is held on February 2. However, the election is nullified after the opposition Democrat Party boycotts the ballot and a Suthep-led protest blocks voting at polling stations.



MAY 22

Two days after declaring martial law, Army chief General Prayut Chan-o-cha seizes power after warring parties fail to reach a compromise to end six months of political turmoil. The take-over is Thailand's 19th coup in 82 years.

The Constitution, except Chapter 2 on the monarchy, is temporarily suspended and the National Council for Peace and Order is established to govern the country.

1997

JULY 2

The government of Chavalit Yongchaiyudh is forced to float the baht as international reserves supporting the currency's peg to the US dollar run critically low. The baht's collapse sets off a crisis that spreads rapidly across Asia.

2004

DECEMBER 26

At 7.58am, a 9.1-magnitude earthquake – one of the largest ever recorded – kicks up an undersea plate in the Indian Ocean, propelling massive waves of water towards the shores of Thailand and 13 other countries. The tsunami takes two hours to travel the 500 kilometres to Thailand's Andaman coast before unleashing devastation on the beachside communities of Phang Nga and Phuket. Four other provinces are also affected.

That horrifying morning, the tsunami washed over 58,550 people in Thailand alone, killing 5,395 – many of them foreign tourists – and sweeping away 2,817 others.

2006

SEPTEMBER 19

Following months of yellow-shirt protests, Army chief General Sonthi Boonyaratglin topples Thaksin in a bloodless coup. The putsch is staged while Thaksin is at a UN General Assembly meeting in New York.

The military creates the Council for Democratic Reform to rule the country.

2011

JULY

Thailand witnesses its worst flooding in half a century after Tropical Storm Nock-ten brings heavy rain. Flooding persists in some areas until mid-January 2012, affecting 13.4 million people and resulting in 657 deaths. The World Bank estimates damages at Bt1.4 trillion. Sixty-five provinces are declared disaster zones and 20,000 square kilometres of farmland is damaged.

NATION GROUP 50th

Rvisra Chirathivat

Korawad Chearavanont

Yod Chinsupakul

Pijit Viriyamettakul

Jirayut Supsrisopa

Young Tycoons

bring fresh outlook to cope with **disruptions of a fast-changing world**

Many years ago, the Central Group, which operates physical malls and branches both in Thailand and abroad, had transformed itself into a "tech company" as a strategic framework for driving its business with the mobilisation of the new generation of the Chirathivat family. Rvisra Chirathivat is the daughter of Suthichai Chirathivat, who has become an important force in leading the Central Group's foray into the digital world.

Rvisra, who is now the chief marketing officer at Central Department Store Co and Robinson Plc under Central Retail Group, has always emphasised "digital and technology" as important tools to facilitate easier and more efficient connection between Central Group's core department store business and the online world.

"Central is a leader in innovation," she says. "We bring various technologies to develop our business and create an omni-channel experience to provide our customers with complete comfort and cover all platforms, both online and offline."

Rvisra, graduated in economics from Scripps College, and obtained an MBA from Loyola Marymount University, USA, before working for both a new tech startup company, and global-brand companies, such as Microsoft, Samsung, Universal Studios.

Rvisra was also marketing director of Central Department Store in China before being promoted as chief marketing officer of JD Central, a joint venture between Central Group and JD.com, China's largest online retailer.

JD Central has become the flagship of the Central Group in penetrating the online retail business.

"New lifestyles are developing every day. Everyone is free to live as they please, and that makes marketing more fun as marketers have the opportunity to come up with new ideas and strategies," she says.

Rvisra says that new-age marketers need to focus on three areas:

1. The speed and agility to keep up with new trends and get used to creating big impacts;
2. Co-creation by persuading customers and partners to create new innovations together;
3. Marketing with social responsibility.

Korawad Chearavanont is the 26-year old son of Suphachai Chearavanont of the CP Group, and grandchild of Dhanin Chearavanont, Thailand's richest man. Korawad is now the CEO of Amity, which is the cloud company founded and built by him. Amity is also recognised as a Thai tech startup that has achieved success on a global scale.

"Big challenges and opportunities arise all the time, both what we expect and we do not," he says. "The most important idea is not to waste the crisis, and do what you can to make your business stronger than ever. It can be done both by reforming it and trying to find new opportunities."

"For me, building a world-class team is key. The objective is to build a business that grows with a strong team. Everyone on the team has to be good and grow without me. This is the real test. The team must not only be the best at what they do, but they have to adjust and be flexible, and be ready for change and evolve as much as possible," says Korawad.

"The goal of the business is to maintain 100 per cent growth every year without spending huge amounts of cash. That is the necessary growth rate to become a truly global technology company.

"I believe that we have to focus on being the best at we do both regionally and globally. To be truly successful, the company must look at expanding the scale to foreign countries. We must position it as a regional or global business, and try to have a clear focus, and step up to be number one in that business," he says.

Yod Chinsupakul, the CEO of LINE MAN Wongnai, admits frankly that food delivery is one of the few businesses to benefit from the Covid crisis, with substantially higher growth in 2020 compared to the previous year. LINE MAN Wongnai's orders volume grew more than five times.

But this kind of exponential growth comes with a variety of challenges.

"Therefore, the approach to business management is not only aimed at growing one's business, but also to be a part of helping restaurants sell more, help the delivery drivers earn more, and ensure convenience for users in ordering food," says Yod, adding the secret to success comes from grit.

"Stepping up to become a leader requires working hard and never giving up. Covid proves that we cannot predict everything.

"We must be prepared to deal with a variety of situations. We have to deal well with situations when unforeseen events affect our business," he says.

Yod says that the previous goal of Wongnai was to become Thailand's first unicorn. But since the merger, LINE MAN Wongnai's goal is no longer to only become a unicorn.

"A new motto we will follow is 'to help Thai people live better'. We aim to expand our food delivery service to 77 provinces across Thailand by the end of this year," he says.

Pijit Viriyamettakul, the managing director of Vibhavadi Medical Center Plc, is a young businessman who is the heir to Chaisith Viriyamettakul, a respected leader in medical care.

Pijit started his career at a private company in the logistics business after graduating with a bachelor's degree. His stint in the private company was because his father wants all his children to get work experience from outside first, learn the guidelines and systems of work from large organisations, before being absorbed in the family business.

"I worked at the logistics company for about one year before my father called me back to help the family business by starting in real estate, while concurrently studying for a master's degree," he says.

However, due to lack of knowledge about the hospital business, Pijit started doing internships in every department, before being promoted to assistant managing director, and then to deputy managing director. He was elevated to managing director as of May 14, 2019. His main function is to oversee the business, including accounting, finance and marketing. The doctors and nurses are taken care of by a director.

Pijit says that hospital jobs are very challenging. For him, the hospital business is different from any other business that he has been done in the past. The size of the organisation is also bigger and there are many parties involved in the coordination.

"The hospital business is more complicated, but that's not a problem," he says. "I have to do business to get better. If not better, at least I must maintain the existing standards," he says.

Pijit says that he wants to make Vibhavadi Hospital one of the largest in Thailand in terms of networks, now spread over more than 10 locations across the country.

When it comes to the cryptocurrency in Thailand, there is nobody who doesn't know Topp Jirayut Supsrisopa.

Jirayut, a 31-year old businessman, holds a bachelor's degree in economics from the University of Manchester, UK, and a master's degree in economics from the University of Oxford. He is a co-founder and the chief executive officer of Bitkub Capital Group Holdings, or Bitkub.

In three years, he has created a digital asset trading centre (www.bitkub.com) and it occupies the number one slot with 90 per cent market share in Thailand. More than 40,000 new users sign up for the system per day. The centre has an average of THB4 billion in crypto trades per day, up 1,000 per cent from the end of 2020.

Jirayut says he was among a minority who believed that cryptocurrency could improve the financial world, "and the minority is right".

With the current value of the global cryptocurrency market at US$1.6 trillion, it amounts to 10 per cent of the $100-trillion gold market value.

"Today, the cryptocurrency market that we are seeing is just the tip of the iceberg. There is still a lot to grow below," he says.

Jirayut says he decided to jump into the cryptocurrency industry in Thailand eight years ago. He set a goal that the financial industry must belong to the Thai people 100 per cent, and he vowed to make Bitkub into a unicorn by the end of this year with a company value of more than THB30 billion.

"We want to represent the new generation that shows the potential that Thai people are good as well. We want to encourage the new generation of Thai people to rise and create something new for our country," says Jirayut, adding that one of the factors supporting his goals is the growing trend of the cryptocurrency market in Thailand.

"We will not stop here. We are now preparing to open a new business, the fourth of the group, which is "Bitkub Venture" with THB10 million in registered capital."

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URGENT REFORMS needed to strengthen Thai economy in next decade

Wichit Chaitrong

On the bright side of the 1997-Asian financial crisis, it corrected the value of the baht, making it cheaper and resulting in a boost for Thailand's exports.

The financial sector and businesses embraced reforms, making them better prepared for later crises.

But the weakest link in the economy is the public sector, which has dodged the urgent need for reforms.

The Covid-19 outbreak and other dynamic forces have demonstrated that Thailand needs reforms in order to move forward into the next decade, according to experts.

"Many economic and social challenges have reached or passed a tipping point where potential risks can propagate exponentially," warns Veerathai Santiprabhob, former central bank governor.

The economic landscape is subject to VUCA -- volatility, uncertainty, complexity and ambiguity.

"The consequence is expected to be VUCA-plus. For example, the impact of climate change will become more serious," Veerathai warned.

The world is unlikely to achieve the global temperature rise target of less than 1.5 degrees Celsius. When the tipping point is passed, it would take an exponential path not a linear one, he pointed out.

While the financial world has been flooded with excessive liquidity, the market has been subject to high volatility.

The evolution of information and communications technology has been rapid with the advent of artificial intelligence and 5G mobile technology. "Those who have high capability in information and communications technology have a great advantage in the new operating landscape," he said.

The Thai economy faces two key constraints -- ageing population and limitation of fiscal space, according to Veerathai.

The country has become an ageing society and in the next 10 years, it will become a "super ageing society" where the elderly account for more than 20 per cent of the population, along with a decline in working age population.

"This will affect consumption, as the elderly will consume less, but healthcare costs will increase the fiscal burden," said Veerathai.

The elderly usually resist social change, so it will also lead to social tensions between generations, as younger generations want social change.

Fiscal space will be much more limited in the next 10 years because the cost of the coronavirus pandemic on public healthcare and economic rescue is very high, pushing up public debt, Veerathai predicted.

Due to lockdowns, many businesses, especially small and medium-sized enterprises (SMEs), have faced debt overhang, resulting in a rise in non-performing loans.

People's income suffered a steep decline so it has turned already-high household debt into bad debts.

"If there are no urgent reforms, the consequences would be serious in the next 10 years, and the high debt overhang would make Thailand very vulnerable to future shocks," said Veerathai.

He has a three-word mantra for urgent reforms: productivity, inclusivity and immunity.

Veerathai Santiprabhob

To increase the country's productivity, Veerathai proposed that the government reform the public sector, as its outdated laws and regulations and bureaucracy are the source of increasing cost for both businesses and the people.

"The centralised bureaucracy does not answer efficiently economic issues and questions of accountability," he said.

He also suggested urgent reforms for state enterprises and lands owned by the government in order to generate more state revenue.

"After the 1997 crisis, the financial sector and businesses have embraced reforms but the public sector has shirked reforms, resulting in its inefficiency and the public sector becoming bigger," he pointed out.

To improve productivity, Thailand also needed to focus on technology driven reform, creating better infrastructure and helping people to access and utilise technology.

Widespread corruption also impacts fair competition and productivity as competitive businesses tend to lose out to those who use political connections or bribes, said Veerathai.

The agriculture sector needs to increase yields. The economic value of the sector accounts for less than 10 per cent of GDP but it employs about 20 to 30 per cent of the labour force.

"The impact of the Covid pandemic has forced about a million people to return to rural areas and they may not be able to come back to manufacturing plants, which may replace them with automation systems and robots," he noted.

The crucial point is how to help them or train them to increase productivity in the agricultural sector, he said.

To make economic development inclusive, the country needs to make more effort to reduce the wide inequalities in income, wealth and opportunity.

"To reduce inequality in opportunity is more challenging because it is important to help the disadvantaged groups to access high quality education, medical services, elderly care and other welfare," said Veerathai.

Regarding competition among businesses, large corporations have had greater advantages over SMEs in the past 10 years, said Veerathai and suggested better enforcement of the competition law to curb unfair market dominance. Should more SMEs be closed, it would drive NPLs up in the financial system and impact on employment, he warned.

There is also an inequity of infrastructure development between big cities and small ones. Bangkok has in recent years built a mass-transit train system to solve its traffic woes but other provinces face similar traffic problems do not have a mass-transit system in place.

Immunity from economic and other shocks is also a challenge. "Thailand has paid little attention to climate change compared with its potential magnitude of impact," Veerathai warned.

As Thailand has a long coast and beaches, rising sea water level caused by global warming will have a serious impact on the tourism industry.

"A few Thai businesses have been trying to meet the zero-carbon emission target," he added.

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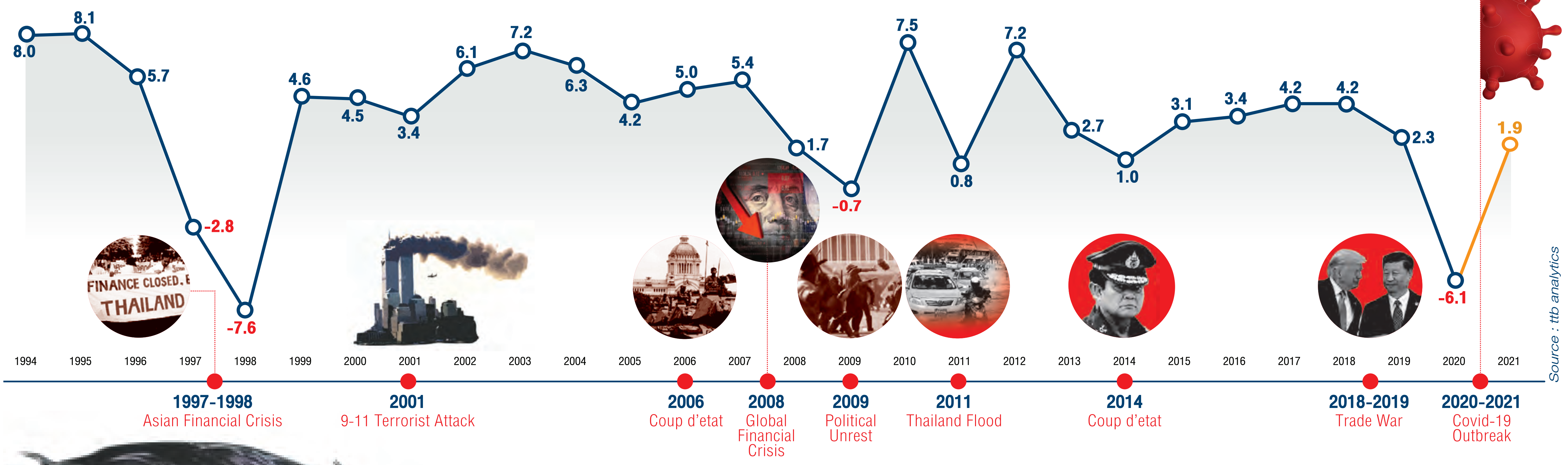
50th NATION GROUP

Business

Anniversary Edition Thursday July 1, 2021

Thailand's GDP Growth (%YoY)



LESSONS AND OPPORTUNITIES IN A POST-CRISIS WORLD

Central bank governor explains how we must not let a 'good crisis go to waste'

■ **Wichulada Pakdeesuwan**

With the economy battered by the pandemic and the public healthcare sector in a crisis, the resilience of Thailand's economy and businesses has been put to test.

The central bank's governor, Sethaput Suthiwartnarueput, however, is offering ideas about lessons learned and opportunities in a post-crisis world.

The Bank of Thailand (BOT) has also pledged to readjust policies to support those affected by the crisis, especially small and medium-sized enterprises (SMEs), who have been hit badly over the past year and half since the pandemic began.

Thailand's economy has also suffered the deepest contraction in the region due to its dependency on the tourism sector.

The third wave of Covid-19 coupled with uncertain and slow vaccine rollout has made it clear that Thailand's economic recovery will not return to pre-Covid levels until the first quarter of 2023.

The recurring Covid waves and resulting lockdowns have severely disrupted economic activities by affecting the purchasing power of consumers, Sethaput said. Consumer spending dropped significantly and damaged trade and services, he explained.

This year, the economy is expected to expand by just 1.8 per cent, after it contracted by 6.1 per cent last year. The challenge that lies ahead is uneven recovery.

Targeting the vulnerable

Though exports have bounced back with a higher growth rate than pre-Covid levels, there is no sign of recovery for tourism-related services, Sethaput said. The tourism industry will take a while before it can return to the pre-Covid level, he predicted.

Against this backdrop, the central bank has adjusted its policy from a blanket approach to a targeted one. The new policy is designed to support vulnerable groups, like giving SMEs access to soft loans to reduce their business risks.

It is also offering debt-restructuring via asset warehousing with buy-back options to help debtors who have suffered the most and the longest, like the tourism industry which employs one-fifth of the country's workforce.

> **"Don't let a good crisis go to waste. Make Thailand ready to steadily make its way forward in a new world landscape."**

The central bank is also helping retail borrowers by helping restructure their debts and extending the repayment period.

"When the situation changes, the central bank is ready to readjust measures. We hope our supporting measures will ease the burden on businesses and people and prepare them for a post-Covid world," Sethaput said.

Before the pandemic, Thailand's challenge was how to navigate the new world. However, things have changed drastically since the pandemic, with new risks going beyond everyone's expectations.

"We have to be careful and not allow ourselves to focus on solving immediate issues that we forget about economic rehabilitation in the long run. We must have a clear plan in driving our economy, and the plan must be in line with the new post-Covid landscape, otherwise we will face an even more serious challenge," the central bank governor warned.

Change with the times

He pointed out the three major global trends – data and technology, sustainability and multi-polarisation.

Now, those who own data and technology have greater bargaining power, much like those who owned important resources in the past.

"Data is the new oil, and artificial intelligence the new electricity," he explained.

The Covid-induced crisis has forced everyone to adopt technology, especially in terms of online banking and transactions.

The government has been using information technology to provide support to businesses and people affected by the crisis.

Similarly, the central bank is also utilising information technology to monitor the economic situation, evaluate results of its policies and readjust economic measures to better implement these policies.

As for sustainability, development must also take the environment into account. Every country has been paying attention to environmental issues, especially since the United States has joined the Paris Climate Accord again under President Joe Biden.

Many countries are also promoting environmentally friendly businesses, so if Thai businesses do not adapt to this trend, they may fail in the long run.

BOT is pushing financial institutions to grant loans more easily to businesses that take a sustainable approach.

Shifting powers

Multi-polarisation is also posing challenges for Thailand. The world order has shifted from US dominance to a multi-polarised world due to the emergence of new super-power countries. Hence, Thailand needs to readjust its strategies in relation to trade and investment. The country currently has several pacts in the region, but it may need to think about building new ties with countries in the West and the East.

"What needs to be closely watched is the possibility that the US may return to negotiate on the CPTPP, which will have a great impact on Thailand," he said.

The Comprehensive and and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is a trade agreement between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

Apart from considering ties with CPTPP countries, Thailand should also strengthen its partnership with Cambodia, Laos, Myanmar and Vietnam, the central bank chief said.

He said the only way Thailand can prepare for a post-Covid world is by asking itself two questions: how businesses and the country will move forward and what needs to be reset or improved.

"Don't let a good crisis go to waste. Make Thailand ready to steadily make its way forward in a new world landscape." he said.

THAI ECONOMY FACES MAZE OF CHALLENGES IN POST-COVID ERA

Experts make grim predictions for the years ahead amid disruptions.

Wichulada Pakdeesuwan

All eyes are on the post-Covid-19 scenario after a year and half of pain and hardship for everyone.

The outlook for the Thai economy after the pandemic is difficult to predict because we have no idea when it will be over, says Finance Minister Arkom Termpittayapaisith. Undoubtedly, the economy will recover and the situation will be much better than the present, he says.

Arkom admitted that the third wave of the pandemic had severely impacted the Thai economy.

"Vaccination is the hope for the people. We can see a chance for the economy and tourism to rebound in the fourth quarter of this year."

Three kinds of economic vaccinations are needed to revive the Thai economy, he says.

"First is the vaccine for the macroeconomy or at the national level for the stabilisation of the economy. We must make sure that the inflation rate is not too low, we have a non-negative interest rate, maintain a stable national reserve fund, and have low liabilities burden.

"The second is the vaccine for the real economic sector, which builds immunity in the business sector. The government should allow the private sector to play a greater role in investment to create new economic fundamentals, especially investment in a new S Curve in the Eastern Economic Corridor.

"The third is vaccination at the public level to create more jobs and stable income for the people. The government must help SMEs [small and medium-sized enterprises] with easier access to financial resources," says Arkom.

Those vaccines will become the main engine for the Thai economy to grow sustainably, strongly, and be resistant to future crises, he said.

Amornthep Chawla, head of research office at CIMB Thai Bank, said that in the post-pandemic scenario, the Thai economy will face "4D challenges" in the next 3-4 years as follows:

"Disease – the re-emergence of new pathogens. We have to live in a new normal situation with stringent travel control measures.

"Disruption – changes due to technology. We must develop human resources to serve the changing circumstances.

"Deglobalisation – rebound of globalisation. Geopolitical conflicts will increase, so Thailand must be well balanced. We should not take sides. Thailand should not rely too much on tourism or exports as in the past. Instead, the country has to strengthen its domestic economy to cope with volatilities that may arise from external factors.

"Democracy – a political issue that impacts and hampers investor confidence.

"After crises in the past, the Thai economy has tended to grow lower than its real competence. After the Tom Yum Kung crisis in 1997, the Thai economy grew only 5 per cent, compared to its previous growth rate of 10 per cent. Thus, the Thai economy is at a long-term risk to grow below 3 per cent a year for the next five years from now, reflecting the emergence of an ageing society, and disruption," he indicated.

Naris Sathapholdeja. head of TMB Analytics, said among challenges facing the Thai economy are a need for restructuring Thai SMEs, reviving those that were sick for full recovery, and reforming the economic structure to follow the new global supply chain to compete with other countries. "During the past 10 years, Thailand has been exporting the same products, while Vietnam and Malaysia have diversified according to the world's changing demand," Naris said.

"If we do not restructure and transform, the Thai economy will grow only 2-3 per cent, whereas we have the potential to grow at over 4 per cent a year. It is difficult to have a high number of tourists, like 40 million a year, as in the past," he emphasised.

Pipat Luengnaruemitchai, chief economist and head of research group at Kiatnakin Phatra Securities, pointed out that several signs showed the Thai economy was "losing" competitiveness. "We don't see new forms of investment, as a result Thailand's economy relies largely on the tourism and hospitality sector," Pipat said.

"The pandemic has rung the alarm bell for us. We won't be able to see the high growth rate of the past. There won't be 40 million foreign tourists. The tourism sector will go into a state of rebuilding from a serious collapse, and there is no way to go back to the way it was.

"Presently, many countries like Taiwan, South Korea, China and Vietnam are enjoying strong export growth of more than 40 per cent since they have turned to compete on technology. The US is no longer competing with China on tariffs but competing with technology in the new world," he added.

"Meanwhile, there is no investment in such technology in Thailand. Although today we feel good that exports are growing at 15-20 per cent, other countries' exports have grown beyond the pre-Covid-19 pandemic levels. Thailand can't grow without new investment," Pipat said.

Charl Kengchon, executive chairman at Kasikorn Research Centre, said that the Thai economy would face many problems in the next few years, including fiscal problems as the government has made changes in budget deficit policy.

"The government's loans could come at a cost as public debt balloons from relentless stimulus via fiscal policy. From now onwards, the Thai government must try to reduce the debt burden, focus more on fiscal limitations, and find ways to increase revenue to help reduce the debt incurred during the pandemic," Charl said.

Other challenges for the Thai economy are industrial transformation, an ageing society that could cause shortage of labourers, and low competitive advantages.

Thailand has many things to develop in the next three years, such as free trade agreements to ensure it survives in a disruption, he said.

"The Thai economic growth in the next few years will prove whether we have done enough transformation or not? If we don't do what we need to, the growth figure will continue to lag below our real potential," he added.

> "The outlook for the Thai economy after the pandemic is difficult to predict because we have no idea when it will be over."
>
> *Arkom Termpittayapaisith*

> "The post-pandemic scenario, the Thai economy will face "4D challenges" in the next 3-4 years; Disease, Disruption, Deglobalisation, Democracy."
>
> *Amornthep Chawla*

> "Among challenges facing the Thai economy are a need for restructuring Thai SMEs, reviving those that were sick for full recovery, and reforming the economic structure."
>
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> "We don't see new forms of investment, as a result Thailand's economy relies largely on the tourism and hospitality sector."
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>
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THAILAND'S QUEST FOR NEW GROWTH ENGINES

Wichulada Pakdeesuwan

> The Covid-19 pandemic has gravely hurt the world economy. Besides rising numbers of infection and deaths, countries including Thailand are experiencing business closu res, unemployment, and economic recession.

Payong Srivanich, chairman of the Thai Bankers' Association and president of Krungthai Bank, said on the occasion of The Nation's 50th year that the pandemic had caused the Thai economy to contract by 6.1 per cent in 2020, the most severe since the 1997 "Tom Yum Kung crisis".

While the global economy is now on track to grow at the fastest post-recession pace in 80 years, according to the recent report of the World Bank, Thai economic growth in 2021 is still sluggish. The Joint Standing Committee on Commerce, Industry and Banking has projected growth at 0.5-2.0 per cent.

The only sector that will be able to benefit from faster than expected recovery of the global economy is the Thai export sector, which is estimated to expand by 5.0-6.0 per cent.

Steady vaccine distribution is a true white knight in this battle because it creates herd immunity to SARS-CoV-2 infection, Payong said. The governmental sector needs to accelerate the national vaccine rollout programme to be able to jump start economic activities.

Payong believes that if the number of people being vaccinated increases fast enough, Thailand will be able to see economic recovery in the second half of the year. The country cannot afford wave after wave of outbreaks because each wave costs the country several hundred billions of baht of economic damage.

However, Payong also warned that the pandemic would cause permanent damage in many ways. He said Thailand should find new engines to economic success.

"If we look to the far future of the world and Thailand, the necessity of vaccination will be decreased, therefore, we are in need of a new type of "knight" to drive growth in the future."

The chairman of Thai Bankers' Association elaborates six key factors to building new economic structure:

K – Knowledge or becoming a knowledge-based economy/society

To drive the country forward at full throttle, all stakeholders need to receive accurate, up-to-date knowledge and information. Thailand has sound infrastructure networks, especially telecommunication. The internet penetration rate in Thailand is above 70 per cent, which is higher than the world average. However, what the country has to accomplish is to link scattered information from different governmental units into one platform and transform this raw information into solid knowledge and services for both businesses and individuals to be able to improve better quality of life and business opportunities.

N – New Normal or adjusting economic policies to adapt to a new world

In addition to keeping pace with the shift in consumer behaviour in the post-Covid-19 era, the international community has started a new consensus, "the Great Reset of Capitalism", which addresses issues of accessibility, equity, fairness and sustainability in the framework of the ESG.

However, Payong noted that advanced digital technologies might widen the inequality gap between large businesses and small businesses, while the automation technology such as Robotic Process Automation may lead to less demand for labour.

The Thai labour market has been hit hard by the pandemic. High rate of unemployment will have severe repercussions for the country's economic stability. Tax and investment incentives for every level of businesses are needed to reward businesses paying attention to employment and labour upskill/reskill programmes.

I – Investment or making worthwhile investments to reduce costs

Thailand needs to invest in new growth engines and in enhancing long-term competitiveness. The country's productivity has been weakened by a much slower rate of investment, only 24-25 per cent of investment per GDP in the past 20 years, when compared to 42.5 per cent before 1997. As a result, the country has been able to generate only 3 per cent of GDP growth in recent years.

Big Data and Blockchain should be employed to efficiently manage limited public and private resources.

G – Government, or efficient management of resources

Thailand's public debt rose from 41.2 per cent of GDP at the end of 2019 to 54.9 per cent as of April 2021, as it battles the impact of Covid-19. Many experts expect to see a dramatic surge of public debt as the government keeps spending to revive the economy.

Increasing fiscal flexibility, including a review of the fiscal discipline framework and a public debt ceiling of 60 per cent to GDP, is therefore imperative to have enough ammunition to enable recovery of the economy in the next phase, as well as being able to allocate resources for important investments.

H – Household or strengthening the household, which is the foundation of the economy

The structural challenges of the Thai economy clearly surfaced during the Covid-19 crisis. Households and SMEs are the most vulnerable groups, as they have been submerged in piles of debt.

Amount of household debt jumped to 89.3 per cent of GDP in 2020 from 79.8 per cent in 2019. Both consumers and entrepreneurs are struggling because they have less ability to generate incomes. It is difficult for the Thai economy to fully recover because it cannot rely on purchasing power or driving force from large households in an ageing society.

Therefore, the government and private sector should consider a debt reduction plan to allow business activities to flourish.

T – Togetherness, or moving forward together, without leaving anyone behind

Today's world is complex and highly connected. Moving forward in a sustainable way must be a journey that requires cooperation from all parties.

> "If we look to the far future of the world and Thailand, the necessity of vaccination will be decreased, therefore, we are in need of a new type of "knight" to drive growth in the future."
>
> *Payong Srivanich*

"The next 6-12 months is regarded as a crucial timeframe for Thailand to jump start the engine of growth in our economy, by opening the country," Payong said.

Payong suggested further that vaccines and a fund should be allocated for the tourism sector, which is one of the key engines to drive economic growth. The goal should be reviving 30-40 per cent of high potential entrepreneurs to be able to restart their operations in a short time.

With the cooperation of all parties, he believes that Thailand will be able to win this war. "The combination of the country's strong economic foundation and the new growth accelerators will enable the country to face various challenges and grow strong in the future," Payong concluded.

THAILAND'S FISCAL POSITION REMAINS WELL CLEAR OF DEBT TRAP

Suphannee Pootpisut

The Ministry of Finance has confirmed that the country's fiscal status remains robust and it could take more loans needed to heal and recover the economy affected by the Covid-19 outbreak without the risk of a debt trap, as public debt will be closer to the normal level within the next four years.

The Thai government led by Prime Minister General Prayut Chan-o-cha decided to issue an executive decree to borrow an additional THB500 billion following the previous year's THB1-trillion emergency loan for economic relief to deal with the fallout of the pandemic.

However, this has raised concerns whether Thailand, with continuous borrowing, could plunge into a debt trap.

Patricia Mongkhonvanit, director-general of the Public Debt Management Office (PDMO), explained that the government's borrowing was not a blunder or wrong action. There is no country that does not borrow money.

"It would not be a good idea for the government to slow down all development and just wait to collect enough tax money to start investing," she said.

According to examples of foreign countries entering the debt trap, it was clearly evident that those countries all had weak fiscal positions.

When faced with volatile financial markets, lack of liquidity in the financial system or not gaining investors' confidence, the borrowing option is crucial and they need to rely mainly on borrowing money from abroad.

When they are unable to borrow more money and there is a payment default, the creditor country can exercise its right to demand that the debtor country sell and transfer assets, give up possession rights or grant concession rights in exchange for loan reduction or loan repayment extension.

Patricia said Thailand was completely different from those countries.

"Widely recognised as a country with a strong financial system and banking sector, our country has a very high level of international reserves and a large bond market as well as a wide range of investors. For the fiscal sector, the level of public debt remains relatively low and most of the debt is domestic under the appropriate risk management," she said.

It can always be seen that the public debt-to-GDP ratio will gradually decline after every economic crisis.

In addition, the proportion of public debt for investment purposes still accounts for more than 70 per cent of total debt, while the remaining debt is incurred as needed to solve the country's crises in any period, such as the economic downturns in 1997 and 2008-09 and the great flooding of 2011, all of which were urgent and unavoidable cases.

Currently, Thailand has the State Fiscal and Financial Disciplines Act as the main law in determining fiscal and financial disciplines in line with the economic conditions in each period.

Therefore, law enforcement must be appropriately strict and ensure fiscal sustainability is promoted.

"Even at present or in the near future, we may still need loans. Please be assured that the Ministry of Finance and PDMO manage and supervise the implementation of fiscal policies rigorously, appropriately, prudently and cautiously hence Thailand will never fall into a debt trap."

At the end of April 2021, Thailand's public debt-to-GDP ratio stood at 54.91 per cent and PDMO managed to provide enough loans to meet the government's expenditure needs in order to support public investment in various activities or projects, including on-going plans under emergency loan decrees relating to the Covid-19 pandemic.

The plans cover, for example, expenses of 35 million doses of vaccines, over 30,000 items of medical equipment and supplies as well as economic alleviation and stimulation projects, such as the half-half co-payment scheme phase 3, "Ying Chai Ying Dai" (the more you spend, the more you get) e-voucher cashback scheme, etc.

Thus, the public debt each month tends to gradually increase and it is expected that at the end of fiscal year 2021, the ratio of public debt to GDP will rise to 58.56 per cent.

Regarding the possibility of increasing public debt in the future, the PDMO has always assessed the public debt levels in the medium term.

In the present preliminary assessment, medium-term public debt has a tendency to increase at a lower rate and return below its peak level within the next 3-4 years.

Meanwhile, Kulaya Tantitemit, director-general of the Fiscal Policy Office, said relevant agencies have closely monitored the fiscal situation, particularly the government's cash flow management in conformity with the income stream and spending needs, as well as the state of the government's treasury on a daily basis to ensure that the fiscal position can maintain the government's continued fiscal spending and fiscal policy.

Due to the assessment of medium-term economic prospects, there is a good trend and recovery starting after the Covid-19 pandemic in terms of providing additional income, especially as a source of revenue for future debt repayments.

The Ministry of Finance has recently steadily implemented measures to enhance revenue collection efficiency and taxpayer facilitation.

Some recent actions have covered promoting electronic tax payment and applying technology to upgrade tax collection and tax audit.

The government's revenue collection structure will also be supported and reformed so the tax administration system will modernise, and reduce inequality.

Meanwhile, the government will speed up economic recovery so that the economy can improve quickly to create jobs and support national development.

Moreover, the upgraded economic restructuring and the higher performance of the revenue collection will lead to long-term fiscal sustainability.

SET's strategic plan

to help bourse cope with digital disruptions

■ Kingploy Nathomtong

The Stock Exchange of Thailand (SET) has unveiled a three-year framework under the theme "Redefine Thai Capital Market Resilience", with the objective of maintaining its role as Thailand's key fund-raising source and protecting the interests of stakeholders.

Efficiency, competitiveness and reliability are designated as key factors of every action plan to deal with digital disruptions.

As Covid-19 accelerated the digital transformation, the digital world is playing a significant role in the daily lives of the people. Digitalisation has become the new normal for all industries, including the monetary and financial markets. The SET, as Thailand's key fund-raising source with THB18.5 trillion market capitalisation, has seen an increasing need to adjust its strategies to match the digitalised global monetary market, as the only way to minimise the effects of digital disruptions.

In an interview on the occasion of the 50th year of the The Nation, Dr Pakorn Peetathawatchai, president of the Stock Exchange of Thailand, said the SET is an organisation that acts as an intermediary in the capital market. Previous managements have laid a strong foundation for the capital market structure, but there are new challenges rising from rapidly changing technologies, he said.

New technologies provide "players" in the industry with a variety of options, especially bypassing an intermediary to do their own direct transactions. Therefore, if the SET does not want to lose its significant role as a key intermediary, it is necessary to focus on competitiveness and reliability in every action plan of the new framework, he said.

Exclusive interview with Dr Pakorn Peetathawatchai, president of the Stock Exchange of Thailand, on the 50th anniversary of The Nation

"Being an intermediary amidst rapid change, the SET has to be extremely effective and reliable to gain everyone's trust, which will help attract them towards us," Pakorn explained.

Another important role of the SET is working closely with other market players -- securities companies, asset management companies, custodian banks, or settlement banks, through "partnership schemes", with the aim of jointly developing the capital market, he said. "Now, market players can do business together and support one another, while there was less cooperation among players in the past," Pakorn said.

Of late, the SET has been focusing on how to cater to the exact needs of all stakeholders, with an aim to make them perceive the SET as an important and potential partner to work with, he said.

The three-year strategy (2021-23) under the theme "Redefine Thai Capital Market Resilience" has been designed with this notion in mind.

"As far as product development is concerned, the SET has expanded lines of new products to have more variety and comprehensive coverage. In the past, investment products were concentrated in the group of 'Big Cap' stocks. Currently, many more products have come from mid-cap and small-cap stocks."

"In addition, there are new products that enable investors to better diversify their risks through investing in foreign markets, such as Depository Receipt [DR] and Derivative Warrants," he said.

"It is expected that in 2021, investors will see the first DR, representing shares of foreign public companies, especially stocks that investors are highly interested in, such as Apple Inc, Amazon.com, Alibaba Group etc.

"Moreover, the current digital transformation provides investors with access to all kinds of investment products at lower costs," he said.

"As a result, the SET needs to accelerate the development of new investment products that meet the needs of new investors. Of late, the SET is in the process of developing investment products that can be traded as fractional products, which are suitable for investors with low capital who want to directly invest in stocks without going through mutual funds," Pakorn said.

For example, the current cost of investment in Siam Cement Public Company (SCC)'s shares requires a minimum investment of Bt10,000. This can be broken down to much cheaper investment units through the issuance of DR representing SCC's shares. This kind of product issuance is similar to investing in digital assets of cryptocurrency where investors can buy a fraction of an asset at a fraction of its total value, he noted.

When asked about the current investment situation in digital assets, Pakorn said that there was a chance that the new model of investment could replace the existing investment model provided by the SET when the ecosystem of funding is ready and more reliable.

"However, it is likely that both new and existing forms of the capital market would continue to develop in parallel for another 5-10 years, or until investors have no concerns about safety and legal issues for investing in digital assets," he said. "If there is readiness on these issues, it is believed that a new form of equity market would grow rapidly."

"The SET is studying new products that are linked with digital assets, such as DR based on digital coins [tokens], investment instruments in the form of tokens, or the development of e-wallets to keep money that investors use to trade digital coins, etc," he added.

DIGITAL TRANSFORMATION: BIG THINKING to overcome challenges in a changing world

■ Ekarat Sathutham

Pochara Arayakarnkul, chief executive officer of Bluebik Plc, a consulting firm specialising in innovation/tech-driven strategy and management, says business paradigms are being revolutionised by the ongoing global virus crisis.

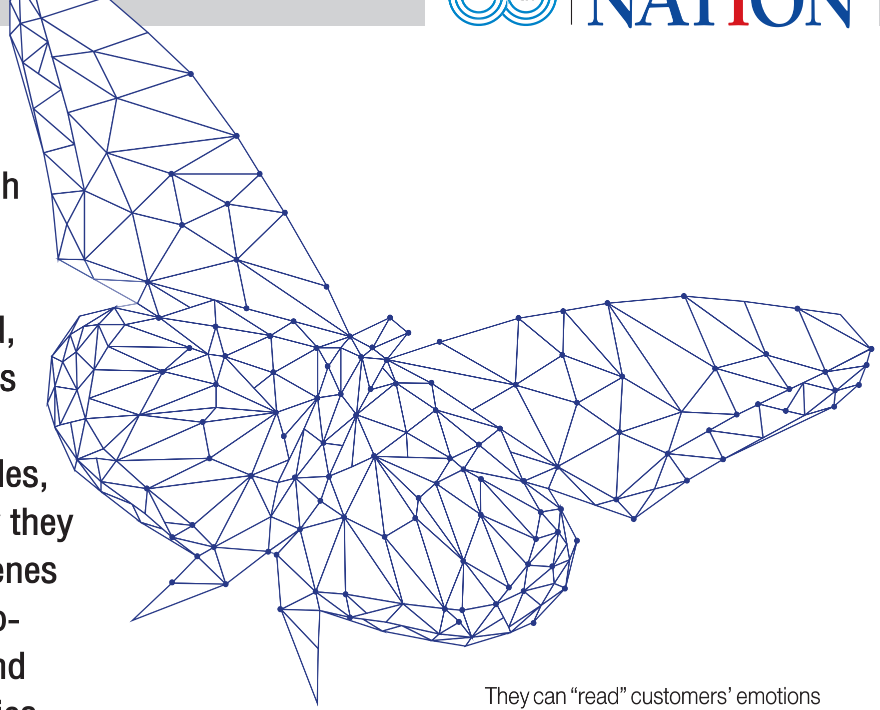
Adaptability now holds the key to overcoming obstacles and minimising adverse impacts. But with every crisis comes opportunities: businesses must explore new S-Curve industries in building their future.

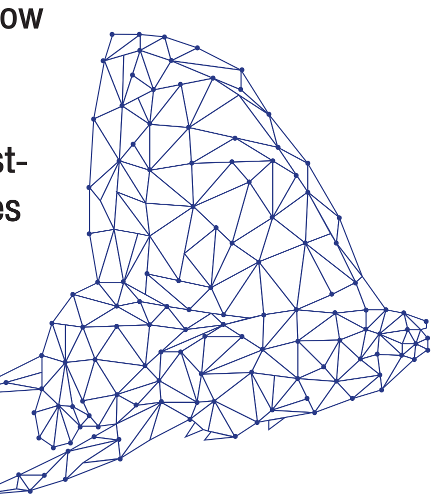
Bluebik has developed the '4A's model as a map to guide enterprises through the landscape of disruption. The first A is Assess. Assessments must be made in three parts, covering Capital, Technology and People.

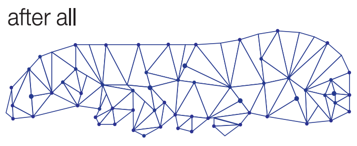
Capital-related assessments identify Cash Runway and Burn Rate in both the best-case scenario and worst-case scenario, with a goal of determining liquidity, cut-off point, downsizing needs, etc.

Technology assessments determine current tech capabilities and the need to embrace new tech solutions. The right choices, possibly in the forms of cloud computing and software-as-a-service, after all promise to help reduce cost and increase agility.

Disruption is sweeping through almost every sector of life around the world, requiring humans to adjust their mindsets, lifestyles, and also the way they do business. Scenes of pandemic, economic turmoil and smart technologies that were once confined to science fiction movies have now become the reality. In such a situation, only strong and fast-adapting businesses can survive.







People assessments, meanwhile, will pave the way for reskilling/upskilling. Personnel need to be equipped with skills that will be useful in the post-crisis period. Personnel development also increases employee engagement and loyalty.

Cost reduction and maintaining cash flow

The second A is Alleviate. It refers to efforts to curb cost, maintain cash flow, and use available capital for the minimisation of adverse impacts on one's business. Managing cash flow should be done at the same time as seeking new sources of funds, just in case any emergency arises.

Enterprises should urgently pursue cost resilience. For example, fixed costs should be turned into pay-per-use costs by outsourcing and finding business partners.

Cloud computing and software-as-a-service (SaaS) can be solutions here, too, because they reduce technology costs.

Adjustments through digital help

The third A is Adjust. Undeniably, Covid-19 has radically changed consumer behaviours. Consumers have generally become more cautious about spending. Businesses therefore should adjust to ensure their products/services remain the choice of consumers.

For effective adjustment, data analytics must leverage big data for efficient formulation of strategies, budgeting, and identification of target groups with purchasing power.

Supply-demand alignment is also necessary, to set the right prices for immediate decision-making.

The fourth A is Augment. When the crisis eases, enterprises should invest rapidly in technologies, infrastructure and talent to get ahead of competitors. The focus should be on extending market reach by attracting consumers who have never used the services or who were previously customers of competitors. Customised marketing, for example, can help boost market share.

> "Personnel need to be equipped with skills that will be useful in the post-crisis period. Personnel development also increases employee engagement and loyalty."

Think big for business boost

Reinvestment should also be a focus at this time since the opportunity cost rate is relatively low. Enterprises with limited resources may invest first in areas that can instantly increase performance.

"Restructuring and workforce planning are also recommended for maximum agility and efficiency," advises Pochara.

Saroj Laohasiri, head of Marketing Transformation and Marketing Strategy at Bluebik, meanwhile points out that marketing & advertising should retain their budget even in this time of crisis.

Their budgets just need to be well-managed, he says, as this helps promote brand recognition and retain competitiveness.

Three practical marketing guidelines

Saroy says the efficiency of marketing strategies can be boosted in three ways:

1. Enterprises should conduct product/service assessments to identify what can drive their short-term sales. There are generally three types of products/services: those fulfilling physical needs, those fulfilling emotional needs, and luxury that can wait.

Enterprises dealing in the first two types should spend money on marketing because the right promotions and marketing communication will lead to more purchases.

Those dealing in luxury are advised to focus on target groups that have high purchasing power. Data collection and online-platform analyses can enhance access to these targets.

CRM activities should be held to treat them like VIPs. Giving them special deals will also promote brand loyalty.

Digitally-enabled analytics

Various digital tools are now available for efficient analytics. They can "read" customers' emotions to find out what customers are looking for. Fast identification means faster response to the new demands and selling opportunities.

Able to analyse customers' decision-making process thoroughly, users of such tools can identify the best time to present their products/services. For example, popping up at the final stage of the funnel when customers are comparing prices prior to placing an order will help close a deal.

2. Enterprises should consider the marketing budget as an investment, not an expense, because marketing spending contributes to their profitability.

While a decision to "completely cut advertising spending' may be good for financial statements in the short run, it may entail bigger spending in the medium and long term to restore brand recognition and market share.

Marketing spending efficiency should be maximised through efficient analyses of media/platforms involved as well as competitors.

3. Management of marketing resources should take into account the fact that the ongoing crisis is changing consumer behaviours. Assessments must be done to ensure brand value and selling points remain relevant. New positioning may be introduced to deliver better functionality and emotional fulfilment. Enterprises must ensure their brand image resonates with the identity of their target groups. CSR activities, it should be noted, mean a lot to branding.

Know yourself and fight on!

Saroj says enterprises should know both their circumstance and potential. In reviewing their portfolio, they should cancel or curb unprofitable production lines and develop new products in response to customers' current needs.

Enterprises with a short cash runway should prioritise cash flow and conduct marketing activities for their best-sellers.

Enterprises with ample financial resources, on the other hand, should conduct PR/marketing activities both in the online and offline world to establish themselves as "top-of-mind" brands.

CYBERSECURITY: A HOT ISSUE IN A BUSINESS WORLD FACING DIGITAL DISRUPTION

■ Wariya Khamchana

In a world of rapid change and volatility, fueled by digital technologies and business models, anyone can become a victim of cyberattack.

Various cyberattack terms that used to be perplexing – phishing, virus, malware, ransomware, crypto-mining and distributed denial-of-service (DDoS) attack – have now become familiar. Constant development of new technologies to boost complexity and efficiency also worsens the damage done.

Cybercriminals often target humans as the weakest and most error-prone factor in digital systems, while the most common motives are financial or political gain and personal conflicts.

Digital Disruption boosts cybersecurity risks

Kaspersky's Southeast Asia general manager Yeo Siang Tiong notes cyberthreats are getting more complicated and severe as businesses undergo digital transformation to build their online presence.

On the other hand, the rising usage of digital services – especially online banking and payment – directly translates to a higher number of people vulnerable to cyberattacks in the form of phishing aimed at stealing passwords and financial and personal information.

Trend Micro co-founder and CEO Eva Chen said cybercriminals also target key infrastructures, especially governmental organisations, as well as those in finance and banking, production and healthcare. Meanwhile cloud technology usage also could pose a greater risk to various organisations.

Such vulnerabilities stem from flawed setting and loopholes that remain unaddressed. Another noteworthy threat is cyberattacks against "Cyber-Physical Systems (CPS)", as CPS is a key foundation for many applications, services and technology developments, including the Internet of Things (IoT), embedded systems, control systems, cloud computing and data analytics, she noted.

80% of organisations 'not yet ready'

Bluebik Group Plc, a digital transformation consultancy, warns that many organisations view the digital world in only one dimension – as an opportunity to expand their business generate new income – while forgetting the hidden risks. This has left many unaware of the importance of cybersecurity.

The World Economic Forum said recently that nearly 80 per cent of organisations keen on expanding into the digital world do not have sufficient measures to handle cyberattacks.

As the COVID-driven global economic recession has also led to a rise in cybercrimes – be it phishing emails to steal users' information, ransomware targeting business information systems, or online shopping fraud – cybersecurity should be high on the agenda.

Meanwhile, with a large number of businesses moving operating systems onto digital platforms, the scope of attacks is no longer limited to data but also covers main operating systems. This means the damage can be severe to the point of forcing business suspension, resulting in losses both financially and in terms of consumer confidence. The more severe the damage, the bigger the bill for system restoration.

Organisations thus need to minimise risks via a good grip on 3 key aspects – human resources, processes and technologies – in order to address weak links and ensure their business operations run smoothly. Efficient and cost-saving security-enhancing tools include cloud computing services, automated systems, artificial intelligence (AI) service platforms, machine-learning services, and advanced cybersecurity analytics. All are credited with the ability to quickly contain threats and restore data.

Covid-19 crisis spawns acceleration of cyber adversaries

A recent report by IBM Security X-Force said bad personal security habits, consumers' lax approach to security, and rapid digital transformation by businesses are boosting opportunities for hackers to carry out cyberattacks. During the coronavirus pandemic, cybercriminals appeared to focus their attacks on businesses involved in the efforts to combat the virus, such as hospitals, medical equipment and pharmaceutical manufacturers, as well as energy companies powering the Covid-19 supply chain. The attacks especially targeted those that could not afford downtime as this would disrupt medical efforts or critical supply chains.

Hence, businesses were urged to adopt a "zero-trust" security policy – which assumed the individual or the network in use could be hacked, hence the need to verify everything including the user's connection and information before granting necessary access to its system.

Similarly, the latest "Global Threat Intelligence Report" from NTT urged organisations undergoing digital transformation to be extra cautious and apply best practices to prevent cyberattacks. The warning was aimed particularly at key industries deploying remote working. It was also noted that while various industries were trying hard to maintain service standards during the Covid disruption, cybersecurity standards were still often a lower priority.

'Zero trust' is the answer

Microsoft (Thailand) Ltd's solution specialist manager Saruj Thipsena said the Cloud economy's acceleration towards digital transformation and working-environment changes had made organisations the unwitting targets of malicious attacks, while certain damaging attack techniques had also been sharpened to became even more dangerous.

Targets were also no longer limited to large organisations, banks or financial institutes but also included those in the fields of education, retail, medicine or energy. Hence, the proactive "zero-trust" security concept had become more important than ever.

3 items on checklist regarding data protection law

There is also the challenge of internet laws including international rules such as the European Union's GDPR (General Data Protection Regulation) and domestic counterparts such as Thailand's PDPA (Personal Data Protection Act).

Microsoft (Thailand) Ltd's national technology officer Ome Sivadith notes that organisations handling information up to legal par must have a checklist comprising 3 steps:

1. "Know Your Data": to know all about the organisation's information.

2. "Manage Your Data": to be in absolute control of data access and usage.

3. "Protect Your Data": to minimise risks and provide sufficient protection for data against threats.

Each step requires security technologies, among which the cloud is front and centre.

"All organisations must achieve the same goal of keeping personal data storage and processing up to legal standards and strengthening their information security, as these two matters are correlated."

Bussarakham Field Hospital Improves Patient Care WITH SMART TECHNOLOGY

With mobile connectivity, patients get better care and go home sooner.

The COVID-19 situation in Thailand remains on the highest alert, especially within the top 10 most infected provinces. Bangkok tops the list with 1,356 cases per day and 41,573 cases cumulatively (Diseases Control Department, Ministry of Public Health, 31 May 2021).

As the number of confirmed cases continues to rise, the Ministry of Public Health has expedited capacity-building and adopted digital solutions to improve care and reduce the time patients must spend in field hospitals.

Building Capacity

Dr. Pathomphorn Siraprapasiri, as Advisor to the Department of Medical Services and a medical expert at the Public Health Permanent Secretary Office, shared with us the patient care plan for the Bussarakham Field Hospital. This is currently the largest field hospital for COVID-19 patients in Thailand, located in the IMPACT Challenger Hall, Muang Thong Thani, covering over 100,000 square meters of space.

Dr. Pathomphorn said, "Here, we quarantine and provide treatment to COVID-19 patients with moderate symptoms to make sure their conditions do not worsen. The available number of regular hospital beds may not be sufficient, so we created field hospitals to cater for the newly infected cases."

The Bussarakham Field Hospital started in Challenger Hall 3 with 1,083 beds deployed in just seven days. This was then mirrored in Hall 1 with 1,078 beds in five days. One in four beds is equipped with oxygen. One hundred shower rooms have been built behind the hall. Even waste management for garbage and water was overhauled.

Digitalizing Care

Once the infrastructure of the field hospital was complete, the next step was to transform the field hospital into a digital hospital. By utilizing digital technology and IT solutions, doctors and nurses can access patient information, patient history, and present illnesses instantly.

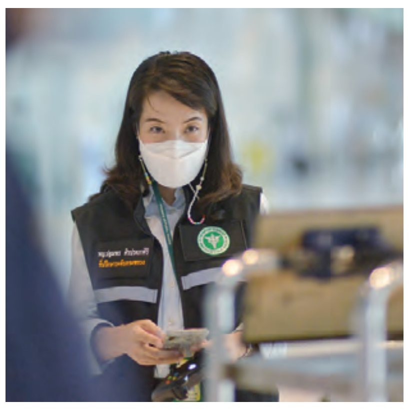
Digital equipment is also used to monitor the patients with devices that can remotely share vital signs – such as blood pressure, temperature, and heartbeat. Medical personnel have real time dashboards to track patients and even robots to deliver medication.

Dr. Pathomphorn explained, "After swabbing tests in various hospitals have identified confirmed cases, a team at the Urban Institute for Disease Prevention and Control will update an electronic database of positive cases and allocate a bed for each patient. This information is sent to the Bussarakham Field Hospital via a digital system to source beds. Then personnel at the Bussarakham Field Hospital will verify patient readiness to be hospitalized and arrange for transport with the National Institute for Emergency Medicine (NIEM). The patient will be then be admitted to the Bussarakham Field Hospital."

High-Speed Internet for All

The key to ensuring the digital management and communications systems work in the field hospital as well as linking everything together at all times is high-speed internet, as well as the computers and smartphones.

Mr. Prathet Tankuranun, Chief Technology Officer, Total Access Communication PLC or dtac, said:



Dr. Pathomphorn Siraprapasiri

> **"These recovering patients usually spend 3-5 more days in the Bussarakham Field Hospital before being discharged. Digital technology helps take patients home faster and increases the treatment capacity of the Bussarakham Field Hospital."**

"In support of Thailand's fight against COVID-19, dtac has thus been deploying high-speed internet connectivity at mission-critical sites nationwide, such as the Bussarakham Field Hospital."

dtac also helped install access points for Wi-Fi, computer notebooks, smartphones, CCTV cameras, and dtac@Home fixed wireless broadband – an easy-to-install boxset device providing wireless connectivity without the need for cabling. These are available at the Bussarakham Field Hospital and nurses' quarters to support the work of doctors, nurses, and public health personnel. The medical teams also use notebooks to perform telemedicine remotely or via Line application.

Dr. Pathomphorn concluded on the overall experience for patients, "The treatment here is expected to last 14 days from the day the patient tested positive, except for seriously ill patients. Once they get better, they may also be brought here to recover, so that hospital beds become available for new patients. These recovering patients usually spend 3-5 more days in the Bussarakham Field Hospital before being discharged. Digital technology helps take patients home faster and increases the treatment capacity of the Bussarakham Field Hospital."

With the dedication of Thailand's frontline healthcare workers and effective connectivity solutions to support them, Thailand is in good hands.

SMART FARMERS:

THE DRIVING FORCE FOR THAILAND'S AGRICULTURAL SECTOR

Yupin Phongthong

Initiated eight years ago, the Agriculture and Cooperatives Ministry's Smart Farmer project has helped reform the country's agriculture and pull it into the digital age. The aim is to arm farmers with knowledge and expertise to deal with a rapidly changing agricultural system, as well as introducing a value-chain production system, according to Khajorn Raoprasert, deputy director general of the Agricultural Extension Department.

Under the "smart" system, farmers can use their knowledge as well as technology to make production more efficient, produce goods that are safe to consume as well as meet market demands. Once this system is in place, a Smart Farmer Model can be built for other farmers to follow.

Since 2014, the Department of Agricultural Extension has turned 166,900 farmers into Smart Farmers, created 18,143 Smart Farmer Models and 462 Smart Farmer Groups.

The Smart Farmer project has also given birth to Young Smart Farmers – a new generation of agricultural entrepreneurs. As of last year, the department had developed 15,640 Young Smart Farmers and is hoping this technologically savvy group can develop and introduce precision farming.

However, it has not been able to lure too many young people into the agricultural sector because it does not pay as well as the industrial or service sectors.

Changes brought by Covid-19

The Covid-19 outbreak, however, may have shifted the balance slightly over the past two years. Many factories have been forced to close resulting in many job losses and people having no choice but to return to farming.

> Agriculture is a key economic driver in Thailand, especially from the aspect of people involved, size of area used and income generated. And this sector is set to play an even bigger role in the future, for which there will be one driving force – the "smart farmer".

Hence, there have been more Young Smart Farmers over the past year and the Agriculture and Cooperatives Ministry is hoping they will stay in the agricultural sector permanently.

In order to drive the Smart Farmer project, the department has been building agriculture promotion groups and holding activities to lay the foundation for future community enterprises.

"We aim to turn Smart Farmers into 'models' who are not only holders of knowledge, but also become a learning base within the community. This will make local communities stronger and more self-reliant. Smart Farmers will be promoted as 'Model Entrepreneurs' by focusing on the development of a business plan. This will give Smart Farmers access to knowledge that they can use to start and expand their business creatively and focus on innovation. They can then help other farmers develop, become strong and use sustainable practices," Khajorn said.

He added that the process of turning farmers into Smart Farmers starts with assessing their potential before building a development plan, training, creating a learning network, marketing, forming a group management system to reduce costs, expanding opportunities as well as collaborating on research and development. Once the system is in place, the results are evaluated, turned into lessons and added to the database.

Meanwhile, for the Young Smart Farmers project, the department has come up with four steps:

Step 1: Getting the Idea: This step requires the individual to find his or her concept and motivation before moving on to formulating self-development plans, exchanging knowledge, building networks and assessing the plan's potential.

Step 2: Setting up the project: The young smart farmer then develops smart agricultural activities by putting the concept into practice through the preparation of a preliminary agribusiness plan.

Step 3: Startup: A young smart farmer turns into a full-fledged agricultural entrepreneur when smart technology is put in place for management as well as a creative, innovative business plan under the "marketing leads production" concept. This also ensures a stable income.

Step 4: Go global: The new generation of farmers needs to adopt international principles and standards, which also includes upgrading products in line with the world market.

"Smart Farmers can be developed by getting farmers to participate in large-scale agricultural extension projects, which will change their mindset and ideas so they focus on assessment, potential analysis and adjusting to career and training. They will also develop skills on five key issues, namely cost reduction, productivity, product improvement, linking group development with marketing and the making of individual farm production plans," Khajorn said.

The next step is developing managers for these large projects. The Agriculture and Cooperatives Ministry's aim is to put these large-scale farms back in the hands of farmers and put them at the centre of operations.

As managers, farmers can also apply their knowledge on issues such as breeds, fertiliser and which agricultural technology works best. Farmers can also pool together their machinery to save cost, boost efficiency as well as manage the marketing side of things. Government agencies will be on standby to provide support. Managers are elected by members of the Smart Farmer and Young Smart Farmer projects.

The Department of Agricultural Extension has developed 4,675 large-scale plots since 2018, 2,560 of which will be allocated this year.

As a joint vision of the Agriculture and Cooperatives and Commerce ministries, with the former in charge of production and latter marketing, the "marketing leads production" strategy focuses on boosting Thailand's competitiveness and GDP, as well as boosting the income of farmers and entrepreneurs. Its aim is to also turn Thailand into the world's top food producer.

Guide to smart farming

The subcommittee in charge of the smart farmer project has two operational guidelines to work under – developing people and processing agricultural products.

The people-development job is divided into five groups:

- Farmers and farming groups focused on sufficiency economy or conservation among others;
- Businesses engaged in processing agricultural goods;
- Exporters;
- Academics;
- Consumers and users of agricultural products.

Guidelines for the groups' development aim to ensure agricultural goods meet market demand and were produced using the BCG (bio-circular-green) economic model as a development mechanism. This can be further divided into five levels:

- Smart farmer: General farmers are given technical knowledge and expertise. Some 1.04 million smart farmers have been developed under the Smart Farmer Development Project.
- Specialist: A smart farmer becomes a "model" or specialist farmer. Some 75,181 model farmers have been developed under the Village Agriculture Volunteer Development Project.
- Entrepreneurship: Helping farmers become basic agricultural businessmen. Some 1,003 farmer entrepreneurs have been developed under the New Farmer Development Project.
- Agri-Biz-Idol: Helping farmers become leading agricultural entrepreneurs. Some 180 farmers have been developed so far.
- High-potential exporter: Agricultural entrepreneurs are given the opportunity to cash in on the export market.

The Department of Agricultural Extension has carried out 43 projects and plans to develop 170,788 farmers by 2025. The department has been collaborating with other government agencies, private sector and educational institutions, such as the Agricultural Research Development Agency, Panyapiwat Institute of Management, Kasetsart University, Chiang Mai University and Khon Kaen University.

The department is also developing and processing of nine agricultural products that are in demand both locally and internationally. It is also setting up guidelines for the development of production processes and products that meet market demand by using the BCG model as a development mechanism. The process starts with first identifying the product, such as:

- Actual product: A basic agricultural product produced using a new, safe process
- Smart product: An agricultural product that undergoes a production process that meets several standards such as GI, GAP, organic farming and GMP
- Premium product
- Premium gift

Digital technology is used in the production of premium products. The production system also allows for higher standards such as HACCP, ISO22000, Codex and CCP, which lift the products to premium level.

SMART HOMES for post-Covid era

The Thai property market is moving to the next level after a year and a half of the Covid-19 crisis.

■ Bussakorn Phoosae

Property firms have redesigned plans for their residential projects to support the new normal lifestyle of people working from home and social distancing.

After the new normal, homebuyers' behaviour is moving to the "next normal" where the home is seen as a safe haven for all people. Residential space is no longer just for relaxation and recreation but has also become the workplace for many people during the Covid-19 epidemic.

Under the "next normal", people need more space to serve their new lifestyles. They also need private space for each family member, since all of them are spending more time at home together. This is the main reason for the strong growth in demand for low-rise residences such as detached houses, townhouses, and twin-houses during the Covid-19 epidemic from 2020-21, compared to dropping demand for condominium projects.

Meanwhile, property developers have redesigned both their low-rise projects – detached houses, townhouses and twin-houses – and also condominiums under the smart residential concept by plugging in digital technology to serve customer demand at this time.

Technology is undoubtedly a key part of the "next normal" for current and future residential projects.

According to a survey by US-based marketing research institute IDC, demand for smart home equipment grew 31 per cent in 2018 from the year before and is forecast to rise over 100 per cent in 2022.

Global management consultant Kearney estimates the value of smart homes in the global market will reach US$ 263 billion or about THB8.41 trillion in 2022. The main market demand is focused on convenience-boosting equipment and security systems.

Meanwhile, business data platform Statista estimates the smart home market in Thailand was worth $532 million or about THB17.02 billion in 2019. Statista records the market value under different device categories, including smart appliances valued at $224 million (THB7.13 billion), the next smart-home security devices ($145 million or THB4.64 billion) and smart-home entertainment devices ($70 million or THB2.24 billion).

For example, most property developers deploy touchless technology for entrance and exit at condominium and low-rise residential projects. Mobile phone applications record the arrival and departure time of residents while the touchless security system records visitor times.

According to a recent survey by The Nation Thailand, most Thai property firms are currently developing their residential projects under the "smart home" concept. The aim is to boost the quality of living, security and health for their customers.

For example, AP (Thailand) Plc is collaborating with Thai Samsung Electronics Co Ltd to integrate its new space design innovations for three-storey townhomes with Samsung's futuristic consumer electronics and is preparing to offer this synergy to buyers of all ready-to-move-in Baan Klang Muang townhomes. The company has also joined hands with Xiaomi Technology (Thailand) Ltd to transform condominium living in the digital era by fully integrating intelligent innovation into living spaces for the first time at LIFE Asoke-Rama 9, a new ready-to-move-in condominium development at the heart of the new CBD on Rama 9. Connection to smart home technology Xiaomi's MI Home app frees you from the need to manually control all electric appliances and devices. Meanwhile, the Wi-Fi network and MI security system offers peace of mind even when residents are away from home. Elsewhere, the Convergent Kitchen takes kitchen space to the next level of practicality. Modern plug-in cooking technology makes preparing meals easier and more fun. And the convergent bedroom takes sleep quality to another level with purified air made possible by MI's air quality management system which efficiently helps filter out PM 2.5 pollutants.

> **"The Covid-19 epidemic has accelerated the country's move to digital technology, including residential projects that have switched to smart-home designs to deliver the "next normal" lifestyle focused on health, convenience and security."**

Sansiri Plc is another property firm developing all of its residential projects under the smart home concept, thanks to its innovative Home Service Application. The app delivers Sansiri's ultra-convenient lifestyle to customers via the Sansiri AI Box voice-enabled personal assistant, the San:Dee parcel-delivery robot, the Smart Move car-rental service and more. The company has set aside a budget to invest in start-ups and technology firms researching and developing smart home services for its customers.

SC Asset Corporation Plc's technology for future living focuses on three categories. Brain of the residence is a digital panel using the Ruejai operating system that allows residents to control electrical devices in the property. Pulse of the residence allows residents to control utilities such as water and electricity, as well as air quality, via sensors, internet of things (IoT) and AI.

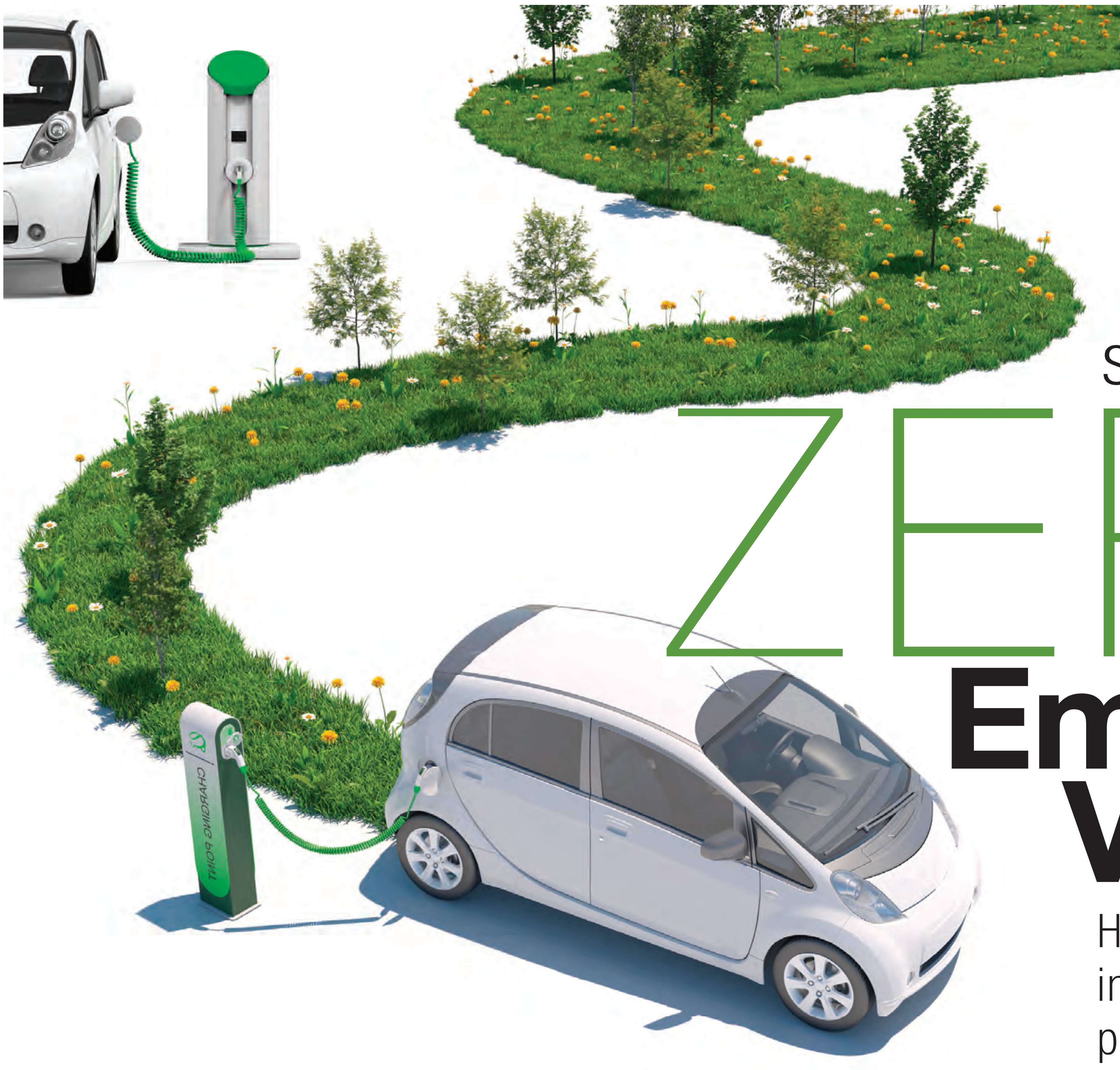
The company has also teamed up with Vulcan Coalition Co Ltd and visually impaired people to develop the Speech AI-NLP (Natural Language Processing) and an AI system that enables the visually impaired to control home appliances through voice control – a first in Thailand.

Meanwhile, SC is focusing on after-sales service by offering customers membership of the RueJai Club, under which their homes receive regular check-ups and maintenance.

Other property firms spending big on the smart home concept include Origin Property Development Plc, Asset Wise Plc, with innovations such as the smart mirror which plays movies, music, video games, as well as functioning as a telephone and watch. Voice command is a popular technology utilising IoT to connect with all home appliances and acting as the homeowner's virtual assistant to control the cleaning system, air conditioners, lighting, and other devices. This innovation is part of the so-called "Lazy Economy" trend now sweeping the globe.

The Covid-19 epidemic has accelerated the country's move to digital technology, including residential projects that have switched to smart-home designs to deliver the "next normal" lifestyle focused on health, convenience and security.

Smart homes are certainly the next normal in the property market, too. Customers can expect to see property developers adding more technology and innovation to their home designs, both for low-rise and high-rise residential units, as we move into the post-Covid-19 era.



Thailand steers towards ZERO Emission Vehicle

Half of EVs sold in Thailand in 2030 are set to be locally produced

Sinchai Phamornphol

Thailand is working hard to steer the automotive industry into the EV (electric vehicle) era, both in terms of usage and production, which is undoubtedly a challenging feat.

The government, however, considers this a necessity as Thailand must keep pace with world trends – and all roads seem to be heading in this direction.

In March, the National Electric Vehicle Policy Committee accepted the private sector's call to bring the country's EV plan forward by five years. This means that half of the EVs sold in Thailand should be locally produced by 2030, and by 2035 all EVs sold here should be produced locally.

Thailand should be producing up to 1.05 million EVs by 2025, comprising 400,000 passenger cars and pickup trucks, 620,000 motorcycles and 31,000 buses and trucks.

By 2035, the accumulated local production of EVs is projected to reach 18.41 million units, with 8.62 million passenger cars and pickup trucks, 9.33 million motorcycles and 458,000 buses and trucks.

Meanwhile, the accumulated usage target for EVs by 2025 is slightly over 1.05 million vehicles, made up of 420,000 passenger cars and pickup trucks, 622,000 motorcycles and 31,000 buses and trucks. By 2035 the figures will grow to 15.58 million units, with 6.4 million passenger cars and pickup trucks, 8.75 million motorcycles and 430,000 buses and trucks.

These targets are significant because the government said it is aiming for ZEV or zero-emission vehicle, which implies the vehicle needs to be 100-per-cent electric.

This may be a challenging goal even though EVs have become a global trend and automakers are shifting their production. Established brands as well as newcomers seem to want to follow in the footsteps of American manufacturer Tesla, who was the first to come up with electric vehicles.

However, considering Thailand's potential in manufacturing, infrastructure and market preference, the question is whether it can reach the targets laid out.

Slow pick-up

According to the Electric Vehicle Association of Thailand (EVAT), some 3,000 EVs were registered in the country last year. This number is tiny considering there are more than a dozen EV models for sale, such as Hyundai's Kona and Ioniq, Nissan LEAF, Audi's e-tron Sportback, BYD E6 and M3, FOMM One, Jaguar i-Pace, Lexus UX 300e, MG ZS EV, Mini Cooper SE, Porsche Taycan, Takano TTE 500 and even Tesla Model 3.

This year, newcomers to the EV scene include the Volvo XC40 Recharge Pure Electric, Audi e-tron GT as well as the BMW iX and iX3.

However, the real driving force in the Thai EV market is the MG ZS EV, which commands a 90 per cent market share, leaving little opportunity for other models.

The sales volume, however, has been rising in the xEV category, which also includes hybrids and plugin hybrids that requires an internal combustion engine (ICE), with 35,300 registered last year.

The biggest obstacles to the expansion of electric vehicle use are retail pricing, operating range per charge and availability of charging facilities.

As a result, EV consumers are those who own more than one vehicle, with home charged EVs being used for short commutes or to nearby destinations without having to rely on public charging stations.

Unaffordable despite incentives

As for pricing, top sellers like MG ZS go for 1.19 million baht compared to between 679,000 and 799,000 baht for the ICE version. Despite enjoying a lower excise duty of 8 per cent, the ZS EV still costs 400,000 more than its ICE siblings.

The high price has been put down to the battery, which accounts for 40 per cent of the vehicle's cost. For longer distances, a larger battery is required, which results in the price rising further.

The Thai government has been promoting the local production of EVs with incentives like a reduction in excise duty. Investments made under the Board of Investment (BoI) will enjoy 2-per-cent excise duty and will not be charged any from January 1, 2020, to December 31, 2022.

However, it will take time to see if these incentives are strong enough to attract investors. The biggest problem now is that though many companies have applied for BoI privileges, none have made any serious moves. Many are concerned about whether their EVs will be able to compete in the market, despite enjoying lower excise tax. Another big concern is the Asean-China Free Trade Area scheme, which includes the lifting of import and export duties for electric vehicles.

This has resulted in EVs sold locally having a completely different cost structure. For instance, the MG ZS EV from China has no import duty and is sold at 1.19 million baht, while the Nissan LEAF from Japan (which also has a free trade pact with Thailand) is still hit with a 20-per-cent import duty and is sold at 1.99 million baht.

Uncertain market

Another problem faced by investors is uncertainty of the market size, which means they are unable to tell if there will be adequate economy of scale for their investment, even with the tax breaks. EVs from China may carry higher excise duty than locally produced ones, but because they come from a huge market with huge production facilities, the cost per unit is dramatically lowered.

Also, don't forget, top automakers like BMW, Mercedes-Benz, Volvo and even Tesla, are shifting manufacturing units to China.

The BMW and Volvo EVs sold in Thailand are imported from China, while Mercedes-Benz also plans to introduce its China-made EQS in Thailand soon.

Though many companies have said they are eyeing Thailand as an EV-production base, we will have to wait and see which brand shows up first. Will it be an established European brand or a Chinese automaker like MG or newcomer Great Wall Motor? (Great Wall Motor plans to introduce its ORA Good Cat EV later this year.)

If Chinese firms, which are already enjoying zero import duty for their products, decide to produce EVs in Thailand to serve both the local market and other right-hand-drive markets, it will be mutually beneficial. Also, it will not only prove that investing in Thailand is attractive, but will also help it achieve its 100-per-cent ZEV target.

THAI TOURISM INDUSTRY GEARS UP FOR 'NEXT NORMAL' ERA

Timeline for reopening the country fuels hope of economic revival

■ Phonphailin Chullaphan

Ever since the Covid-19 pandemic arrived in early 2020, the Thai tourism industry has been closely monitoring the situation for developments.

A key engine of the country's economy, the tourism sector has grown significantly over the past decade. The industry generates huge income for the country, with almost 40 million foreign tourists visiting Thailand in 2019 before the pandemic hit.

In 2019, foreign tourists contributed 1.91 trillion baht and Thai travellers added 1.08 trillion baht for total tourism revenue of almost 3 trillion baht.

A year earlier, Thailand's tourism revenue was ranked 4th highest in the world after 38.18 million foreign tourists contributed 1.87 trillion baht and domestic travellers clocked 1.07 trillion baht for a total of 2.95 trillion baht.

These figures leave no room to doubt Thailand's status as a world-class tourism destination. That reputation is built on a variety of outstanding features, including natural attractions, gastronomy, service quality, and impressive shopping opportunities with knock-on benefits for the retail sector. Many shopping malls and commercial districts have adapted to become attractive leisure destinations, attracting spending from foreign visitors.

This chic retail trend paid off in 2018, when foreign tourist arrivals hit 38.18 million, generating revenue of 1.87 trillion baht.

Thai tourism has faced many crises over the past two decades – including the 2004 tsunami, SARS, the Great Flood of 2011, and political unrest. Each time it has rebounded quickly, taking only 3-6 months to recover to its previous level.

But nothing could have prepared the industry for Covid-19, which Thai tourism businesses describe as the worst crisis they have ever encountered. The length, uncertainty, and inability to predict when it will be over make the pandemic an unprecedented calamity for the sector.

In 2020, total tourism revenue plunged 73 per cent to 814 billion baht from the previous year, while foreign tourist arrivals plummeted 83 per cent to 6.69 million. As a result, income from foreign tourists dropped from 1.91 trillion in 2019 to 330 billion baht in 2020. Meanwhile, domestic tourism was hit by lockdown measures, resulting in trips by Thai tourists falling 47 per cent to 90.52 million, generating 482 billion baht – a drop of 55 per cent from a year earlier.

A key economic engine like tourism will take at least 2-3 years, or until 2023/24, to recover from the disruption of Covid-19, say analysts. That recovery depends not only on Thailand's readiness to welcome back foreign tourists but also on the policies of countries where those foreign tourists live.

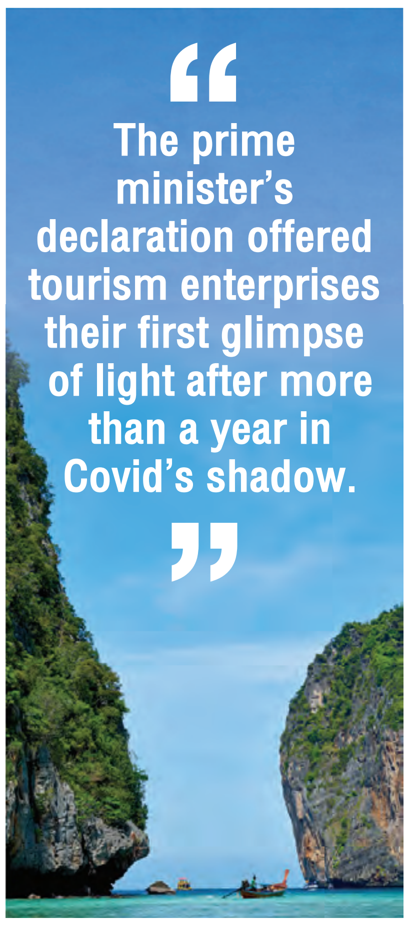
Amid the gloom, Thai tourism businesses and workers were struggling in a labyrinth of despair – until the arrival of Covid-19 vaccines this year brought light at the end of the tunnel. Reopening the country was finally back on the agenda, and the government announced a roadmap to welcoming back fully vaccinated foreign tourists, paving the way for economic recovery.

The Phuket pilot will kick-start that plan. Starting from July 1, Thailand's largest island will waive quarantine requirements for foreign tourists who have been fully vaccinated against Covid-19 under the "Phuket Tourism Sandbox" model.

The reopening will then roll out to nine other areas, namely Krabi, Phang Nga, Surat Thani (Koh Samui, Koh Phangan and Koh Tao), Chonburi (Pattaya), Chiang Mai, Prachuap Khiri Khan (Hua Hin and Cha-am), Buri Ram and Bangkok. Those areas plan to open for foreign tourists without quarantine in the fourth quarter of the year before the whole country opens in the first quarter of 2022.

However, on June 16 Prime Minister General Prayut Chan-o-cha stated that Thailand will fully open within 120 days and tourism centres even earlier. "The only exception to these guidelines will be if a truly serious situation develops or seems likely to develop, and we will look at those situations on a case-by-case basis," he said. The country's reopening timeline was thus brought forward from January 2022 to October 2021.

Two days later, Tourism and Sports Minister Phiphat Ratchakitprakarn told a meeting of the Centre for Covid-19 Situation Administration (CCSA) that



Prayut's statement meant any province with no more than 20-30 new cases per day could apply to reopen for foreign tourists. However, Bangkok would not need to rush to reopen in October if the capital still had 500-600 new cases per day, he added. Each provincial governor could make their own decision on reopening, Phiphat said.

The prime minister's declaration offered tourism enterprises their first glimpse of light after more than a year in Covid's shadow.

As well as the Phuket sandbox, the CCSA has launched the "Samui Plus" model to invite foreign tourists back to Surat Thani province. The pilot area of Koh Samui, Koh Phangan and Koh Tao in the province will be ready to reopen for foreign tourists on July 15. Unlike the Phuket sandbox model, it will restrict travel for foreign tourists to sealed routes. For the first three nights, tourists must stay on their hotel premises. On the 4th to 7th night, they can go out for sightseeing but must remain within the Koh Samui area. From the 8th to 14th night, they will be able to take a boat to Koh Phangan or Koh Tao. After 14 nights, foreign tourists will be able to travel to other areas in Thailand. However, like foreign tourists in Phuket, they must be tested for Covid-19 three times.

Yuthasak Supasorn, governor of the Tourism Authority of Thailand (TAT), added that there are also extension tourism routes linking Phuket to other areas. First are the sealed routes to 3 areas in Krabi province, namely Phi Phi Islands, Koh Ngai, and Railay. Also available to foreign tourists are routes to Khao Lak and Koh Yao in Phang Nga province. The extension route scheme will launch in August.

In September, three pilot cities will be reopened: Chiang Mai (Muang, Mae Rim, Mae Taeng and Doi Tao districts), Chonburi (Pattaya City, Bang Lamung and Sattahip districts), and Buri Ram (Muang district and Chang Arena Stadium).

After that, pilot cities such as Bangkok, Cha-am, Hua Hin and other areas or provinces will be reopened starting from October, under the 120-day plan.

"When the prime minister shortened the timeline, it gave opportunities to provinces or cities that are ready to accept foreign tourists before the fourth quarter, which is the high season in Thailand," said Yuthasak. "The TAT believes the Tourism's Ministry and TAT target of 3-4 million foreign tourists this year with tourism revenue of 300 billion baht is now more likely to be achieved," he added.

Meanwhile the ministry's target for domestic tourism, which has been hit by the third wave of Covid-19, is 90-100 million visits this year, with income of more than 400 billion baht.

For the year 2022, Tourism Minister Piphat cites estimates of 20 million foreign tourist arrivals, generating income of 1.5 trillion baht, with domestic tourists adding 160 million trips and 700 billion baht. As a result, total tourism revenue next year is expected to reach 2.2 trillion baht.

The big concern of the Tourism and Sports Ministry and the TAT is restructuring of the tourism market to balance its different aspects. These include foreign and domestic income, tourist numbers and expenditure per person; original and new markets; mass and high-end segments; major and minor cities; high season and low season; and holiday and weekday travel. Moreover, foundations must be laid for "high-value and sustainable tourism" in compliance with the 13th Plan for National Economic and Social Development Plan and 3 strategies under the National Strategy. The 3 strategies are "SA" (Safe Travel for All), "SB" "Striking a Balance" in the tourism market structure), and "SOS" (Support Our Stakeholders – helping businesses to adjust to the new pattern of tourism).

Thailand realises it must deploy defensiveness as well as forward-thinking to attract foreign tourists in the new era. But this mission is already underway, heralding the "next normal" era of Thai tourism in the post-Covid world.

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■ Chuleeporn Aramned

HEALTHY HERBS

People have become more health conscious, and are increasingly placing their trust in medicinal herbs to cope with Covid-19. This has led to the growth of the herbal market both at home and abroad, and a rush to cash in.

There is an old saying that in the midst of every crisis lies great opportunity. This also holds true for Thai herbs, which have become more popular among users during the Covid-19 outbreak.

Since the pandemic hit the country early last year, a number of Thai herbs have been in demand, and some of them with anti-viral properties have become rising stars of the herbal world, such as Kaempfer or Kra Chai, and Kariyat or Fah Talai Jone. The latter was recently listed in the National List of Essential Medicines for curing Covid-19

Over the past few years, the market for Thai herbs has expanded both at home and overseas, in contrast to other products. According to the Ministry of Agriculture and Cooperatives, consumption of Thai herbs as well as the market value have grown around 10 to 10.3 per cent a year since 2017, and the growth rate is on the rise. The Commerce Ministry estimates that last year alone, the market value of Thai herbs reached THB108 billion.

Worldwide, herbs have become increasingly popular with market value estimated at up to THB3 trillion. In China, Japan and South Korea, the market growth rates for herbs are estimated at around 5.06 per cent, 0.85 per cent, and 5.43 per cent, respectively.

Thailand has been exporting herbs in various forms -- fresh or dried herbs, extracted products, food and drugs, as well as food supplementary products. They have a combined market value of up to THB100 billion. Of this, herb-based food products are valued at around THB 80 billion, spa products THB10 billion and traditional Thai medicines THB10 billion.

Associate Professor Surakij Natheesuwan, a dean at the Faculty of Pharmacy at Mahidol University, said the Covid-19 outbreak had resulted in expansion of the Thai herbs market. Apart from the fact that they are relatively safe, some of them contain anti-viral qualities effective against Covid-19, he said.

At the same time, the government has also given importance to these herbs. It introduced a five-year master plan from 2017 to 2021 to specifically address the development of Thai herbs and this has improved over the years.

Over 1,800 herbs have been studied and recognised for their qualities, and 300 of them are popularly used. Some herbs have been picked by the government as "champion products", such as Kaempfer, cassumunar ginger or Phlai, turmeric or Khamin Chan, and gotu kola or Baibuabok, while Fah Talai Jone and other herbs have become the rising stars for their anti-viral qualities.

Surakij said the government's clear and direct policy has enabled rapid development of the products because producers' risks are ameliorated, especially among those producing food or food supplementary products, spa and beauty products, as well as medicines.

"The Thai herbs market is indeed one of our economic pillars for our survival," said Surakij. "This is because it's an economic activity, which is based on our own raw materials as well as native wisdom. As people have discovered that herbs can help kill the Covid-19 virus, they have become more precious, with value-addition in the market both here and abroad."

Surakij suggested that the concerned parties maintain the quality of the products as well as production standards so that people's trust and confidence in the products remain.

"The government must promote quality products and support producers to make products with high quality and technology. The herbs will help our economy survive through this hard time," said Surakij.

Product development expansion

Since the government picked some herbs as "champion products" following the National Thai Herbs Policy Committee's resolution last year, production of Thai herbs has expanded.

According to the committee, over 114,975 tons of herbs were harvested from 45,990 rai (7,358 hectares) last year. The committee has also scaled up the production by promoting the so-called Herb City in 14 provinces nationwide. They are classified in groups; raw material cities (Amnart Charoen, Surin, Maha Sarakham, Sakon Nakhon, and Uthai Thani provinces), industrial herb production cities (Nakhon Pathom, Saraburi, Prachin Buri, and Chanthaburi provinces), and herb-based tourism and spa cities (Chiang Rai, Phitsanulok, Udon Thani, Surat Thani and Songkhla provinces).

The government also plans to use more herbs in hospitals, especially in local settings. It has been promoting the use of Thai herbs in place of imported medicines in a number of community hospitals. In the future, it will push for up to 80 per cent herbs in beauty and cosmetics ingredients, 18-20 per cent in food supplements, and 4 to 5 per cent in medicines.

The Thai Chamber of Commerce University's International Trade Studies Centre conducted an analysis on the market value of Thai herbs between 2017 and 2021 in these provinces plus Bangkok, and found some positive development patterns in these areas. For instance, the products with the most potential at the final process were medicines, beauty products and food supplements, while Songkhla, Nakhon Pathom, and Surat Thani were among most active provinces in promoting production from raw materials to initial processing.

However, the country is still facing some limitations in developing and promoting Thai herbs because of lack of capital and technology.

Last, but not the least, is the knowledge and understanding in the standards of practice of herb producers.

The centre's director, Dr Ath Pisarnvanich, said Thailand has rich biodiversity, which is the country's strength, but an extensive content of herbs is still imported for processing here because local plants or raw materials are not well explored and studied.

"Thailand has a lot of potential and research and development is needed to be advanced to help facilitate commercialisation of Thai herbs," he said

Besides the "champion products", another rising star is cannabis. Since being delisted from the list of narcotics here, cannabis has become increasingly popular as it has medicinal properties no less than other rising stars.

It's estimated that the market for cannabis-based products would continue to grow, with market value possibly of up to THB21 billion in 2024. The government is planning to brand it and hemp as "champion products".

The Thai Traditional Medicine Department recently promoted local cannabis planting in Buri Ram province's Non Malai village, where 5,000 villagers are allowed to grow at least six plants per household. Grouped under a community-based enterprise, they will be able to join the government's programme of medicinal cannabis production by submitting their cannabis to hospitals for medicinal production. The project in the village will be a model for other communities to learn from, according to the provincial public health office.

The knowledge platform about cannabis and medicinal production has also been launched by Abhaibhubejhr Hospital in Prachin Buri province, a medicinal cannabis production model of the country. AbhaiHerb chatbot is now available on Line application to boost public understanding about the plant.

Thailand's healthcare industry has grown at a remarkable pace in recent years due to challenges posed by a number of chronic diseases, an ageing society, and increasing health-consciousness. But over the past year or so, the global pandemic has propelled the business to another level

COVID SPURS GROWTH IN HEALTHCARE INDUSTRY

Parichat Boon-ek

Thailand's healthcare sector was valued at THB65 billion last year, according to the renowned W9 Wellness Center of Rama 9 Hospital. That marks a 6.3 per cent annual growth rate, driven by trends in wellness and health and personal care, be they an ageing society, longevity and good quality of life, personalised nutrition, and proactive personal care.

There is no denying that the Covid-19 pandemic has stirred people's interest in maintaining good health and preventing the disease.

The healthcare industry is generally divided into sub-groups, which can be classified as: pharmaceutical industry, biotechnology-related industry, healthcare equipment and supplies, and healthcare providers and insurance.

As detailed in an article published on Siam Commercial Bank's website recently, the pharmaceutical industry involves both original and generic drugs production, while biotechnology industry concerns bio-based innovation and technology, including use of genetically modified organisms (GMOs) in product development, such as those for developing Covid-19 vaccines.

The healthcare equipment and supplies business involves production of single-use devices, such as syringes, rubber gloves, and others; durable medical devices, such as hospital beds, medical diagnosis items and others; and reagents and test kits used in medical labs. These account for 20 per cent, 75 per cent, and 5 per cent of market share, respectively.

Healthcare providers and the insurance industry, meanwhile, largely concern private hospital services and health insurance businesses. The latter has become popular in countries with high cost of healthcare services, such as the US.

During Covid-19, the pharmaceutical industry and healthcare equipment and supplies business, especially medical treatment equipment and single-use devices, have gained positive responses in the market due to consumers' needs.

The promising trend of digital healthcare

John Clare, vice president at DKSH Thailand and Indochina's Healthcare Business Unit, said there have been some products that have seen steady growth in the market both before and during Covid-19. The first and foremost products are those related to health and personal care.

This is because people have become more concerned about their health. Products like food supplements, therefore, have become popular, he said.

Aside from these products, medical support items for the elderly have also similarly been popular, partly due to the fact that Thailand is entering an ageing society where medical support devices are in demand. These include medical devices which are implanted in the bodies. And last but not the least are products for cancer treatment.

But during an outbreak, products which are especially in high demand are those related to digital healthcare. This is because people have become concerned about their health and need to keep a distance from others for their own safety. They have become more and more digitally connected and wearable technology products like Apple Watch are increasingly in demand.

Aside from wearable technology, telemedicine has also become increasingly popular because patients, especially the elderly, can choose to contact their doctors through digital technology without going to hospital and taking transmission risks.

"People can talk to their doctors through the screens, and this is an interesting trend," said Clare.

Farid Bidgoli, general manager at Roche Thailand, Myanmar, Cambodia and Laos, in charge of Roche Pharmaceuticals and Roche Diagnostics business units, said several hospitals have opted for telemedicine to follow up cases. Covid-19 has just expedited this process. Digitalisation in the field of medicine also helps support more precise and responsive treatment, as digital data and diagnoses are available. Cancer, for instance, is one disease to treat which medical practitioners are increasingly applying digital-based diagnoses, as it can help provide comprehensive analyses of the disease as well as treatment, he said.

Personalised healthcare with the help of technology helps medical practitioners to advance their diagnoses and treatment and come up with models for treatment, which can be as specific as molecule-based.

As of last year, 190,636 people were diagnosed with cancer, and 124,866 of them died, averaging one death every three hours.

"As we have more and more digitalised and big data in our hands, we can be more specific with treatment for patients. Medicines become more precise and direct, and this is an improvement of our quality of life as well as our medical database," said Bidgoli.

Fortune Business Insights has projected that the global telemedicine market will be worth US$185 billion in 2026, from $42 billion in 2019, a 23.5 per cent annualised growth.

In Asia, the trend is no less popular. While India observes over 5,000 digital healthcare startups with capital of up to 45 per cent of the whole industry, China itself has come up with new medical reforms since 2009 to guide the country to digital-based medical treatment, such as, telemedicine internet-based diagnoses and hospitalisation. Over the past five years, the digital healthcare market in China has grown up to 30 per cent a year following new legislation.

The popular businesses in digital healthcare include virtual care and telehealth, which involves telemedical or internet-based medical provision, supporting telemedical provisions such as Online Doctor, Electronic Health Record, or Medicine Delivery, and vaccine development.

Clinical research and trials

Dr Sirasak Teparkum, the CEO of Thailand Center of Excellence for Life Sciences, says that bio-based medical business has grown alongside other healthcare businesses, and clinical research and trials have seen increasing demand during Covid-19, with the growth of the market at almost 8 per cent.

The business, he said, has a lot of potential. "Clinical research and trials are the business that people don't think of in normal times, but during the Covid-19 outbreak, we have observed up to 25 per cent growth in clinical trials in phase one and phase two. So, the trend is likely to continue, and we must push it further even when we have no pandemics. It's our strength now," said Dr Sirasak.

Krungthep Turakij newspaper's Global Wealth Column by Wattikorn Kijjawijitr also reported on healthcare innovation as a result of application of technology in the medical field.

The promising S-curve in this sector, the columnist said, is transcription of genetic codes and GMO technology. For instance, GMO technology applied to cancer can help remove genes, which cause breast cancer. The technology can also help project risks and allow medical practitioners to prescribe more precise and direct medicines and treatment to cure the disease.

Skin cancer patients can have a 42 per cent chance of survival with bio-based treatment, compared with chemical treatment. Last year, bio-based cancer treatment was valued at US$21 billion in the market and it's projected to grow up to 120 per cent, the columnist noted.

Private hospitals, which have stumbled during the Covid outbreak in contrast with other healthcare businesses following a drop in incoming visitors and patients, are projected to become active again this year. According to an article by senior analyst Poonsuk Ninkitsaranont published on the Bank of Ayutthaya website, private hospital services could revive this year onwards, partly due to the return of visitors and patients. This could be about a 4 to 5 per cent boost, she said.

Besides, as Thailand is entering an ageing society, senior citizens need sophisticated medical support, which can be provided by these private hospitals.

The National Social and Economic Development Board Office has projected that Thailand would see an ageing society by this year, with the population of people aged 60 years and above at around 20 per cent of the total population, increasing to 32 per cent in the next 20 years. At least 60 per cent of this senior population are projected to have health problems in the next 20 years, according to the analyst.

There is also the growth of the middle-class, which is projected to comprise 41 per cent of the total population, up from 36 per cent in 2015.

Increases of newly emerging diseases or non-communicable diseases can also lead to growth for healthcare businesses, including private hospital services, the analyst noted.

ALLIANZ AYUDHYA
INTRODUCES NEW CEO
driving to ambitious growth with "Strategy 2025"

Allianz Ayudhya Assurance PCL recently Introduced its new CEO highlighting company's solid foundation to grow long-term business and protect all Thai despite the challenges. "Strategy 2025" comprising of 4 pillars is announced to drive growth in all channels, maintain health leadership as well as reinvigorate saving products, create long-term profit and develop talent to run a world-class organization.

Thomas C. Wilson, CEO and President of Allianz Ayudhya Assurance, stated that "I have been taking a leading role as CEO for 4 months and witnessed the strong professionalism of our Thailand team which is the strength that will drive the business growth. In 2021, the headwind remains not only for insurance sector in particular but for all. Especially the COVID-19 situation

Customers - Our health riders cover the medical treatment of COVID-19 and weensure customers can access to our 24/7 services including online platform and telemedicine. Allianz Ayudhya also organized the "Care Day" activity, giving an opportunity for the team to express their care for customers during the time when social distancing is a norm.

- **Agent/Partners** – We provide digital tools to allow non-face to face selling that will help reduce the risk from meeting physically for both customers and agents.
- **Employees** – Health and wellbeing of our people is our top priority. The company has a policy to drive over 90% employee to WFH. All meeting and training will be conducted in virtual format only.

In 2021, the challenge remains. We have seen the ongoing pandemic situation, the low interest rate, and the volatile capital market. To tackle this, "Strategy 2025" was developed to set priorities and secure sustainable and profitable growth for Allianz Ayudhya. This is a long-term plan not only for 2021 but beyond. All business units will work together on the strategy, which comprises of 4 pillars:

- **Growth 2025** focuses on driving growth in all distribution channels. Agents will promote greater franchise growth by using best practices and successful business models to scale up their agency teams. For non-agency channel, including Bancassurance, Group Business, and Telesales, the company will focus on generating New Business Value (NBV) from protection business, as well as explore cross-selling opportunities and continue growing partnerships.
- **Product 2025** focuses on maintaining Allianz Ayudhya' s health leadership but also reinvigorating its investment and savings products – creating a well-balanced and profitable portfolio.
- **Operating Profit 2025** involves creating long-term value by leveraging the company's digital tools for both back-office operation and customer front-end to ensure efficiency and effectiveness.
- **People 2025** is focused on ensuring that **Allianz Ayudhya** continues to attract, develop and retain the best talent in the industry, building the next generation of **Allianz Ayudhya** leaders, as well as ensuring that the firm continues to run a world-class business.

"2025 is marked as a key milestone for the Group and Regional to step up our footprint globally. In Thailand, we recognize that the seeds of a sustainably profitable business planted today will need time to germinate and deliver fruit. Our goal is to take the steps and make the investments today that will secure our business, partners', employees' and customers' futures in the longer term. Thailand still has a high potential. With strong professionalism and commitment of our team, I'm confident that we will successfully drive Allianz Ayudhya to the next level" **Mr. Wilson** concluded.

COVID-19 REVIVES FOCUS ON GREEN GROWTH

P. Wong

The global community has come to terms with the reality that the health of the environment is fundamental to people's livelihood and development. There is a need for more synergy on issues like climate change and biodiversity loss to better address future challenges. Thailand too has been moving towards this more sustainable and resilient society with the so-called "BCG" model.

Covid-19 has not only brought to the fore the challenges to public health worldwide, it has also given impetus to sustainable development that has failed to take off nearly three decades since the birth of the idea. This is because rapid development has led to the neglect of other key pillars, including the environment.

Although several countries are still encountering sporadic disease outbreaks, the idea to revive the ailing economy because of the disease has been seriously discussed with the revived idea of sustainable development, plus some new discourses.

Besides being sustainable, the world needs to be more resilient, they all agree. And to do so, several more ideas and buzz words have been introduced, such as Build Back Better, Build Back Greener, Green Recovery, and the latest addition from the G7 recent meeting -- "Build Back Better World" or B3W -- tossed by US President Joe Biden.

Critical environmental challenges like climate change and biodiversity loss have since become the centre of the talks, and the world's leaders agree that it is time to work hard to address these issues.

The US under Biden's leadership, for instance, has stepped up to put more efforts to address climate change than the previous president. Aside from returning to the flock under the UNFCCC's Paris Agreement to limit global temperature rise under 1.5 degrees Celsius by the turn of this century, the US president declared a new target for his country to achieve a 50-52 per cent reduction of Greenhouse Gases (GHGs) from 2005 levels in 2030 and net zero emissions economy-wide by no later than 2050.

The EU, on the other hand, had approved one of its major recovery budgets with the concept "Green Recovery'' last July. The budget, dubbed as the "Next Generation EU" and worth 750 billion euros, aims to cut GHGs up to 30 per cent under the Paris Agreement in the next 10 years.

At the G7 summit, which ended on June 13, the grouping of the world's major economic powers -- the UK, the US, Canada, Japan, France, Germany and Italy -- in their communique committed to a "green revolution" that would limit the rise in global temperatures to 1.5°C. They also promised to halve emissions by 2030, reach net-zero carbon emissions by 2050, and to conserve or protect at least 30 per cent of land and oceans by 2030, the BBC reported.

The BBC analysed that the grouping's commitment to phase out coal at home and stop financing coal overseas was significant as this is seen to heap pressure on China to follow. Although the details were still lacking, there were also potentially important developments focusing finance on renewable energy and railways in developing nations to counterbalance China's Belt and Road mega-project, the BBC noted.

UK Prime Minister Boris Johnson, who hosted the three-day meeting, was quoted by the BBC as saying; "We were clear this weekend that action needs to start with us."

More synergies of solutions

More recently, the world's leading scientists have agreed that to address the future challenges brought about by pandemics, integration of solutions or more synergies of solutions are desperately needed.

Besides the One Health approach, which is aimed at integrating the state of public health into the economic development path, scientists agree that the most critical environmental challenges like climate change and biodiversity loss must be addressed alongside because they have learned about their mutual reinforcement, and solutions for one affects the other, and also the economy.

In their latest workshop and report, "Biodiversity and Climate Change", sponsored by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) and the Intergovernmental Panel on Climate Change (IPCC), the two issues mutually reinforce each other and they are both driven by human economic activities. The report noted that unprecedented changes in climate and biodiversity have combined and are increasingly a threat to nature and humans, their livelihoods and well-being around the world. The report underlined that neither would be successfully resolved unless both are tackled together.

Professor Hans-Otto Pörtner, co-chair of the Scientific Steering Committee at the IPBES, said human-caused climate change is increasingly threatening nature and people, including its ability to help mitigate climate change.

"The warmer the world gets, the less food, drinking water and other key contributions nature can make to our lives, in many regions. Changes in biodiversity, in turn, affect climate, especially through impacts on nitrogen, carbon, and water cycles," he said.

Prof. Pörtner said a sustainable global future for people and nature is still achievable, but it requires "transformative change" with rapid and far-reaching actions never before attempted on ambitious emissions reduction.

In addition, a profound collective shift of individual and shared values concerning nature is required, he said. He suggested that moving away from economic progress based solely on GDP growth, to one that balances human development with multiple values of nature for a good quality of life could help lessen impacts from unavoidable trade-offs between climate and biodiversity.

"It may be impossible to achieve win-win synergies, or even manage the trade-offs between climate and biodiversity actions in every single patch of a landscape or seascape.

"But achieving sustainable outcomes becomes progressively easier when integrating a mix of actions at larger spatial scales, through cross-border collaboration and joint consultative spatial planning. That is why it is important to also address the lack of effective governance systems and mechanisms to improve integration between solutions to climate change and biodiversity," the professor pointed out.

The scientists suggested that addressing the synergies between mitigating biodiversity loss and climate change while considering their social impacts would offer the opportunity to maximise benefits and meet global development goals.

Among the concrete actions recommended, for instance, is increasing sustainable agricultural and forestry practices. These include measures, such as diversification of planted crops and forest species, agroforestry, and agro-ecology. Improved management of cropland and grazing systems, such as soil conservation and the reduction of fertilizer use, is estimated by the report to offer annual climate change mitigation potential of 3-6 gigatonnes of carbon dioxide equivalent.

Thailand's BCG

Thailand too has felt the pinch of the pandemic. Early this year, the government materialised the idea of pushing a new economic concept called Bio-Circular-Green Economy, or BCG Model.

In the first meeting of the government-appointed committee, chaired by Prime Minister General Prayut Chan-o-cha, in January, the PM made it clear that he wished to see the model as a key driver in the coming budget year. He said it should be the country's economic strategy for the next five years to lift the country's status from a middle-income country to a high-income one, while being more sustainable and resilient against the next pandemic.

The BCG has since been adopted as the government's agenda to be pursued by state agencies. The government has also come up with a five-year strategy to support the agenda, running from this year to 2025 with four key strategies to be pursued.

They are sustainability of natural resources and biodiversity and the balance between conservation and utilization, local economy with social and natural capitals in localities, sustainable competitiveness with environmentally friendly technology and innovation, and resilient society.

Five areas would be in focus: food and agriculture, public health and healthcare, energy, tourism and creative economy, according to the committee.

The PM announced the agenda at the 2nd Partnering for Green Growth and Global Goals 2030 Summit hosted by South Korea in late May, underlining that recovery from the Covid-19 pandemic needs to go in tandem with sustainable development goals.

Thailand has set its goals towards the recovery with a sustainable, resilient and inclusive economy through the BCG model.

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50th THE NATION

Why live in AGONY on borrowed time?

Thai abbot Phra Paisal Visalo speaks about facing up to death, and why it is important to make a living will?

Penlak Pakdeecharoen

"If children ask why do we have to die, what will be our answer?"

"At what age do you think you will die?"

"What are things you want to do before you die?"

"Who do you want to be by your side when you are dying?"

"What will happen if everyone on Earth becomes immortal?"

Many people may have pondered over these questions during the Happy Death Day exhibition several years ago. The event, hosted by the Buddhika Network and allies, was organised to educate Thais about death in various dimensions so that they would be brave enough to face it.

At that time, Phra Paisal Visalo, the abbot of Wat Pasukato in Chaiyaphum province, who has initiated a project to put people at ease about death for nearly 13 years, unveiled his own living will to the public for the first time despite his strong physical health. The monk hoped that it would raise awareness among Thais to plan the last days of their life.

A living will – or an advance directive – is a legal document that explains how you want medical decisions about you to be made if you cannot make the decisions.

The 64-year-old Phra Paisal, who was born on May 10, 1957, wrote his living will and submitted it in a sealed envelope to his deputy abbot for safe keeping. He instructed the deputy : "If I am terminally sick, please open this envelope and follow the will instruction."

"We should think about life's terminal phase. Nowadays, people suffer a lot due to the lack of advance care and planning... Some people, who initially wish to cling on to life on borrowed time, might change their minds when that terminal state is full of agony."

When a terminally ill patient is placed under palliative care, he/she might not be able to communicate, while doctors may not go over the overall pros and cons about the use of medical equipment. The decision, therefore, is left to that patient's next of kin.

"Being kept alive by such medical machines may give the patients a few more weeks or months, but some patients, who suffer much agony in that state, may beg for removal of the machine. However, no one would dare to do so. At the same time, such patients' relatives may struggle financially to pay the huge medical bills as they believe they are doing what they think is best for their loved one. But maybe that was not what the loved one wanted," said Phra Paisal.

Making a living will before falling terminally ill is as important as writing an inheritance management will for your children, the monk emphasised. He advised that before making one's living will, the person must discuss it with his/her children and relatives.

"We should think about life's terminal phase. Nowadays, people suffer a lot due to the lack of advance care and planning... Some people, who initially wish to cling on to life on borrowed time, might change their minds when that terminal state is full of agony"

"There was a case in which a patient didn't have a living will and three of his children voted not to put him on medical aid while one child disagreed with them. The minority opinion prevailed as none of the other children wanted the public stigma of being ungrateful to their parent. In such a case, the doctor could help by explaining the pros and cons of both states," he added.

Phra Paisal cited another case in which a patient was in much agony, lying in a hospital bed and kept alive through multiple medical equipment worth millions of baht to survive. A visitor noticed that the patient's gaping mouth was extremely dry. But when the patient's lips were dabbed with petroleum jelly and covered with a medical mask to retain moisture, the patient's agony ended. Some terminally ill patients go through much pain and suffering that they need morphine jabs to reduce the pain, he added.

Doctors could help in explaining the reasons to convince relatives to let go, but the abbot noted that most doctors – focusing on using knowledge and technology to prolong life – didn't have sufficient knowledge about reducing the patients' agony so they should learn more about it.

"Doctors who have specialised in palliative care know there is no need to put the patients on borrowed time, and it is better to let them go in peace. So, it is important to make time to talk with the patients about their medical wishes before their condition worsens and prevents them from talking," the monk pointed.

Many terminally ill patients' children often assumed that everything – be it tracheostomy, hemodialysis and multiple tube insertion into the body – must be done as it was an expression of gratitude to parents. "But how are you sure that is what the patient wants and that is what is best for the patient?" he asked.

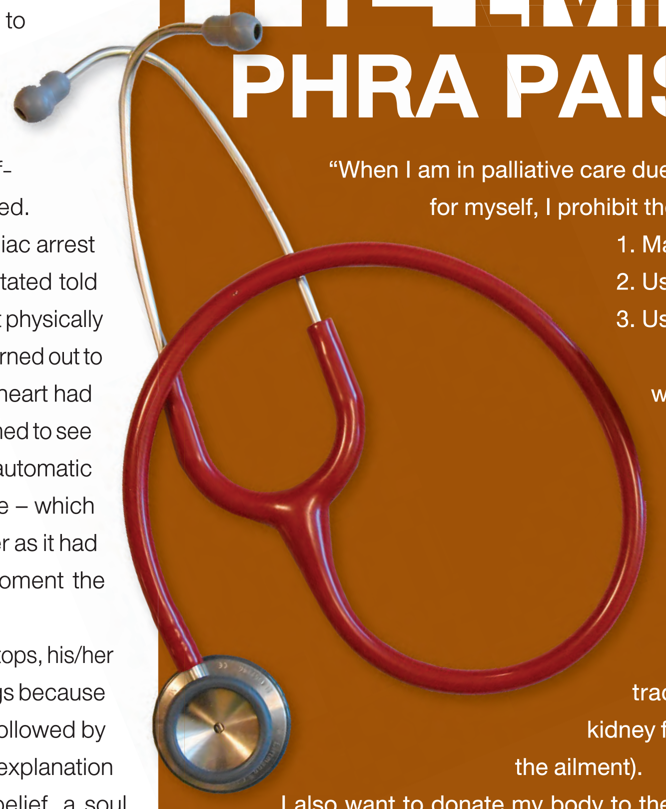
He recalled another case told by the late Dr Sumalee Nimmanmit about a 70-year-old woman who was gravely ill from kidney failure and was admitted to hospital. The patient's daughter instructed the doctors to do everything to keep her alive despite the doctor's warning that such things wouldn't be of much help as the comatose mother's organs were collapsing.

The doctor told the family that the mother would want peace and they talked to her to make her mother happy, the monk said. The children had never heard such advice from a doctor, but they followed it and got a favourable response from the mother, the monk said.

"The best thing is not to cling onto life with medical devices. Loved ones can make them happy and at peace so their physical suffering can lessen," he added.

Paisal said some cardiac arrest patients who were resuscitated told of what they saw during that physically unconscious state, which turned out to be true. "One man whose heart had stopped while in coma claimed to see his father drinking from an automatic water fountain at night time – which was confirmed by the father as it had happened at the exact moment the son's heart stopped."

After a person's heart stops, his/her mind can still perceive things because the body shuts down first followed by the soul, according to an explanation in Buddhism. In Tibetan belief, a soul takes three days to shut down after the heart stops beating, hence the deceased person can still hear, "see", and know things, he said.



THE LIVING WILL OF PHRA PAISAL VISALO

"When I am in palliative care due to an incurable ailment and I am unable to make medical decisions for myself, I prohibit the following procedures to be performed on me:

1. Major surgery
2. Use of respiratory aid (in case of inability to breathe by myself)
3. Use of cardiopulmonary resuscitation (CPR) in case of cardiac arrest
4. Use of technology merely to keep me alive on borrowed time without life quality

"In case I am put on respiratory aid because doctors are unaware of my wish, it shall be removed once the doctors are informed so my body could be in its natural state.

"I have named one doctor and two laypersons as the decision-makers on my behalf because they have known me for more than a decade and understand my views.

"I also wrote on the will's fifth page that I didn't want CPR, tracheostomy or respiratory tube insertion, hemodialysis in case of kidney failure, or tube feeding for nutrition or antibiotics (in case it won't cure the ailment).

I also want to donate my body to the Thai Red Cross or Khon Kaen University's Faculty of Medicine for education and research purposes. After a three-day funeral prayer ritual at Wat Pasukato, a cremation – with only one-day notice – would be held. While the cremated bones would be kept at the temple's Hin Khong yard, the ashes would be sprinkled in Phu Luang forest.

Virtuoso

Tik Shiro 'steps into the digital age'

■ Kanokporn Chokcharaskul

Multifaceted artist Tik Shiro might be nearing 60, but he remains as active and creative as ever. Tik, whose real name is Manaswin Nantasen, has been wearing many hats -- as a drummer, singer, composer, producer and painter -- for decades.

As the entertainment industry struggles to cope with the fallout of Covid-19, Tik, who has worked in local showbiz for over four decades, has diversified into an online business, selling sun-dried gourami from Bangbor, Thailand's popular fish farming district, in Samut Prakan province.

The creative artist caresses his new brand "Rak Salid" like he would an art project. He has created a unique package and pattern with the fish, giving his product a distinct identity. Normally, farmers slide the fish into three strips. But his product is different.

"We slide it into 4 stripes. When you deep-fry the fish, their shapes will transform into flowers or pandanus pudding. They are beautiful and easy to eat with chopsticks," Tik explains.

During the pandemic, his showbiz activities came to a standstill due to lack of sponsorship. Since live concerts are prohibited, Tik has seized the opportunity to try his hand at an online business.

Besides selling "Rak Salid" online, he also sells his paintings online.

During the lockdown period, Tik has been engrossed in painting, cooking and learning about online business. Here are five questions with the creative artist-cum-businessman Tik Shiro:

Q: How has your life changed in the music circuit since you have been working for over four decades? And how has the pandemic affected showbiz?

A: In the new era, artists/musicians present their works online and on digital platforms. It's not easy [to achieve success], but the online platform is a new digital market for many young musicians. However, the young Thai rapper duo, Sprite x Guygeegee, made history for Thais by reaching No. 89 on Billboard Global with their popular hit "Ton". As a Thai musician and producer, I'm so proud of them.

While I was a commentator at 'The Voice Thailand Kid', I met a lot of young talented musicians and singers. Unfortunately, many of them did not continue in music for many reasons.

I try to support them as much as I can. I love kids, I want to support talented musicians who can compose their own songs, so they can step forward.

I prefer to support emerging artists who have no contacts with any music companies. Overall, their parents should support them, too.

I have been in the local music scene since 1973, but I have never stopped creating. I have a good team, so I run my own music studio as a platform to share the same interests and work together. We have been promoting many talented artists.

During the pandemic, our band was temporarily separated. Covid caused joblessness. Our drummer sells Shabu, while the bass player sells durian and shrimp paste fried rice. Others make chilli paste, fried chicken and desserts for their living. Some are successful with their new jobs, while some are not doing well.

Q: You also sell art online, how's your business doing so far?

A: When Covid-19 first spread in Thailand early last year, I stayed home for 4-5 months to create paintings. Net idol Pongsuk "Nui" Hiranyaphruk, the founder of online media "Beartai", introduced me to the online art market. Then I joined the selling of art as NFTs [Non Fungible Tokens] through blockchain-based technology in the cryptocurrency world. Now I'm selling my second version on his platform.

Traditionally, artworks are for sale at leading auction houses like Christie's. For example, Vincent Van Goh's masterpieces are auctioned at 2,000 to 3,000 million baht. However, selling art through the auction process has limitations. Meanwhile NFTs could revolutionise the digital fine art market.

New technology like VTR can help take viewers on a virtual gallery tour. Collectors can purchase artworks anytime and anywhere. These new technologies are very quick.

Q: Did new technology affect your generation?

A: I have no problems with it. With the speed of technology, the world is changing. Previously, the cryptocurrency world introduced bitcoin, NFTs and Ethereum through blockchain-based technology. Many of the young generation are eager to learn new things and participate in these new technologies. Traditional trading by using gold and US dollars is now being challenged by digital trading. Traders can trade by themselves without an operation fee when it is done via the banking system. The digital revolution is changing the behaviour of customers and trading systems.

Q: How is your life going on now?

A: The pandemic affected my job a lot. I had planned a talk show about my life and works, as well as that of my fellow artists, on YouTube. But the project could not happen. My restaurant review on YouTube is temporarily closed, as many restaurants are closed.

I started broadcasting on Facebook about my cooking. Every morning I show how I make my breakfast. Normally I did not cook for myself. But the more I cook, the more I learn and the more skills I have. One of my favourite recipes is pork and eggs stew. I try to export, but the pandemic has made it more complicated to achieve the goal.

Covid also taught me a lesson: We have to think about a second job.

As a musician, I still compose songs. I just finished composing a tune about the pandemic called 'Let's be vaccinated'. I plan to release it soon when all vaccines will be available in the Kingdom.

Tune in to my page Tik Shiro to update about my musical work as well as my fish products. Help support me, so I can keep walking.

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